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WORLD NEWS

Takeshita admits Recruit link

Japanese Prime Minister Noboru Takeshita has admitted that the Recruit publishing group, which stands accused of bribing politicians, businessmen and officials, bought tickets worth Y20m (£85,000) for one of his fund-raising parties in 1987.

The disclosure looks likely to do yet more damage to Mr Takeshita's prospects of political survival at a time when an opinion poll shows only 9 per cent of Japanese people are satisfied with his cabinet's performance. Page 2

Tanker captain sacked

Joseph Hazelwood, captain of the Exxon Valdez tanker which caused the biggest oil spill in US history, was sacked after being found to have drunk more than the legal limit. Page 5

Judge rules on Reagan

Former US President Ronald Reagan will not be forced to testify in the Iran-Contra trial of Oliver North, the presiding trial judge ruled.

Berkeley switched off

Britain's first commercial nuclear power station at Berkeley, Gloucestershire, was switched off after 27 years. Decommissioning the plant will take about 100 years. Page 4

Ape rips off arm

A two-year-old boy's arm was torn off at the elbow by a chimpanzee at a Port Lympne zoo park near Folkestone, Kent. The limb was recovered from the ape's grasp only after Matthew McDaid had been rushed to hospital.

Shell follows Texaco

Shell UK followed the lead of oil rival Texaco and announced its four-star petrol would go up by 6.8p a gallon from midnight on Monday. Page 4

In Ireland, where petrol already costs almost £2.30 a gallon, the Government froze prices.

Ridley gives ground

Environment Secretary Nicholas Ridley, under pressure from ramblers because he wanted to close a public path near his home at Penton, Cumbria, offered to divert the track instead.

BBC unions reject offer

BBC staff unions moved a step closer to possible industrial action when they rejected a 6½ per cent pay offer. Page 5

Train driver charged

British Rail train driver Richard Dooling of north London was charged with endangering passengers' lives by jumping a red signal. Last November his train collided with another at Newcastle upon Tyne.

Polish reform backed

The key decision-making body of the Polish Communist Party approved wide-ranging political reforms agreed at talks between the Government and its opponents.

Abuses 'continuing'

At least 100 Soviet dissidents are still behind bars despite improvements in human rights, according to Amnesty International.

MP assault allegation

Tory MP John Heddle faces charges of assault and obstruction. He was arrested while on holiday in Spain after an incident involving a policeman and a parking space.

UK lawyer arrested

British solicitor Avtar Singh Bhoi, wanted by Thames Valley police in connection with the disappearance of up to £750,000 of clients' funds, was arrested in Florida.

Panic buying hits China

Southern Chinese cities have been swept by a fresh wave of panic buying caused by shortages and fears of price rises. Page 2

BUSINESS SUMMARY

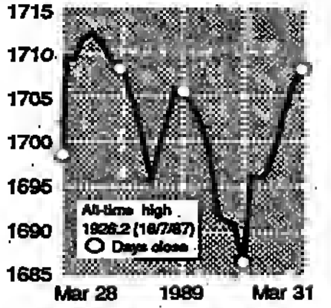
Reuters share structure to face overhaul

Reuters, international news and information organisation, announced changes to its share structure which should make its shares more attractive, help the company to fund acquisitions through new issues and obtain further stock market listings. Page 22: Lex, Page 22

FT ORDINARY index was 9.5 up on the week at 1,707.9 after the market sailed through a potentially difficult session. Page 15; Lex, Page 22

FT Index

Ordinary share (hourly movements)



US ENERGY futures were sharply higher with supply worries compounded by news that two North Sea platforms would be shut for repairs for 36 hours. May crude oil rose 67 cents at one point to a 19-month high of $21.48 a barrel. Lex, Page 22

NCNB, North Carolina banking group, is seeking to move aggressively into the Atlanta market with an offer of some $2.3bn (£1.37bn) in stock for Citizens and Southern bank group. Page 10

MARTIN Davis, Beverly Hills investor, launched a conditional $2.6bn (£1.55bn) takeover offer for NWA, fourth largest domestic US airline. Page 10

BHP, Australian steel, minerals and petroleum group, plans to increase its dividend for the current year from 32 cents a share to 35 cents after a modest improvement in nine-month net profits. Page 10

ASEA Brown Boveri, Swiss-Swedish electrical engineering group, expects future earnings to rise sharply as a result of improved operating and financial efficiencies. Page 10

BOND Corporation International, Alan Bond's Hong Kong arm, has exercised an option to acquire for US$120m (£71m) a 50 per cent stake in a large Rome development. Page 11

PORTUGAL's visible trade deficit soared to Es888bn (£3.36bn) in 1988 – the worst trade gap in the country's history and a 34 per cent deterioration compared with 1987. Page 2

THIRTY leading industrialists are to meet President Mikhail Gorbachev during his UK tour next week in an attempt to increase trade with the Soviet Union. Page 3

TONY Cole, former chairman of Bestwood, has failed to regain his seat on the board of the UK property and industrial holding group. Page 8

MATSUSHITA, Japanese group known for its Panasonic range of electricals, has chosen Newport, South Wales, for a components factory. Page 22

COATES Brothers, UK maker of inks and resins, lifted pre-tax profits by 57 per cent last year to £34.3m with the acquisition of Lorilleux International, French inks manufacturer. Page 8

DTI said combined net investment of UK pension funds and insurance companies in 1988 was £23.7bn with big investors returning to the equity market in the last three months of 1988. Page 5

RODIME, disk drive maker based at Glenrothes, Fife, is discussing the possible sale of the company or of certain subsidiaries after posting an after-tax loss of $25.6m (£15.17m) in the year to September 1988. Page 8

Egyptian setback for police inquiries into Fayeds' background

By John Plender and David Waller

POLICE inquiries into the family background and past business interests of the Egyptian-born Fayed brothers, owners of the House of Fraser stores group, have been delayed following a failure of communication with the Egyptian authorities.

The setback threatens to further embarrass the Government after the leak of large parts of the Department of Trade Inspectors' report on the House of Fraser acquisition to the Observer newspaper this week.

Meanwhile, the dispute between Lonrho and the Department of Trade and Industry over the acquisition escalated yesterday when the multinational headed by Mr "Tiny" Rowland refused to comply with a demand by Lord Young, Trade and Industry Secretary, to send the Department all its copies of the leaked report.

Detective Inspector Graham Gooch of New Scotland Yard's Company Fraud Department said he had been due to leave for Egypt next week. The trip has been deferred, he said, because the Egyptians appear not to have received letters sent via Interpol and through the Foreign and Commonwealth Office, seeking co-operation.

Police inquiries were expected to focus on the Fayed brothers' claims at the time of the takeover in 1985 to have come from a family who were shipowners, landowners and industrialists in Egypt for more than 100 years. The claims have been attacked in publications produced by the Lonrho group, including the Observer, and in a television documentary on Channel Four, to be repeated on Sunday.

The Department of Trade inspectors were also known, before this week's leak from their report, to have made inquiries in Alexandria, the Fayeds' birthplace, where one of the brothers, Salah Fayed, still lives. But the inspectors' evidence cannot be used as a basis for prosecution. The police are also inhibited in their ability to investigate independently in another country.

The Metropolitan and City police are conducting investigations for both the Serious Fraud Office and the Director of Public Prosecutions.

Their inquiries are expected to include an examination of several aspects of the Fayeds' past, ranging from the veracity of birth certificates provided at the time of the 1985 takeover of House of Fraser, to the brothers' claim to have financed the bid from family wealth without substantial borrowing from outside.

The latest twist in the House of Fraser saga will almost certainly lend ammunition to Mr Rowland in his campaign for full publication of the DTI report, since it highlights the lengthy time scale over which official investigations are being conducted.

Sir Edward du Cann, Lonrho's chairman, yesterday sent back a single copy of the leaked report, extracts from which were briefly circulated on Thursday in a special mid-week edition of the Observer

Continued on Page 22

Long arm of the law, Page 3; Surprise attack by Tiny's troops, Page 6

EC tones down proposals on merger control policy

By William Dawkins in Brussels

CONTROVERSIAL proposals controlling mergers in the European Community have been significantly toned down by the European Commission to try to resolve a deadlock.

Changes put forward by Sir Leon Brittan, Commissioner for Competition policy, would cut dramatically the number of large cross-border mergers required to seek clearance from European Commission competition authorities. They also clarify the dividing line between EC and national anti-trust bodies.

This is likely to help calm West German, British and French fears that Brussels is encroaching too far on national merger controls and planning a needlessly bureaucratic control on industrial reorganisation in the run-up to the creation of the single EC market in 1992.

Sir Leon is proposing that the scheme – allowing the Commission to vet potentially anti-competitive mergers in advance rather than after the event as at present – should initially cover cross frontier takeovers with combined turnovers of more than Ecu5bn (£7.7bn). The original proposals would have covered takeovers in which the parties had a combined turnover of Ecu1bn.

The threshold would drop to Ecu2bn at the end of 1992, a figure floated as a possible compromise last December by Sir Leon's predecessor, Mr Peter Sutherland.

The transition is intended to give national authorities and the Commission's fast developing anti-trust department time to adjust.

It means 30 to 40 mergers a year would have to seek Commission clearance in the first few years – rather fewer than at present, without the regulation – rising to around 80 when the threshold drops to its permanent level.

That compares with the 150 deals that would have been caught without the changes. During the adjustment period, the Commission plans to add roughly 40 staff to the 80 professionals now in its anti-trust department, said an official.

Unice, the federation of EC employers, welcomed the changes yesterday. The first chance of governments to respond formally will be at a meeting of the EC's 12 Trade and Industry Ministers on April 13. Member states' unanimous support is needed to give effect to the plan.

Sir Leon also proposes that mergers should not have to be notified to Brussels if more than two-thirds of the companies' joint sales come from one EC country. That compares with the three-quarters of turnover in the scheme's previous version.

This aims to answer worries, most keenly felt in West Germany, that the Commission was planning to influence primarily national markets, so treading on the toes of the powerful West German cartel office.

To clear up confusion over the division between EC and national jurisdiction, Sir Leon suggests that national competition law only should apply to deals below the threshold. EC law would take supremacy for the larger mergers.

Commission officials stress that this exemption for smaller deals can be no more than a political promise. There is nothing to prevent disgruntled shareholders or counter-bidders from trying to use existing EC competition rules – Articles 85 and 86 of the Treaty of Rome – to launch a legal attack against any small merger that has an impact on cross-border trade.

Pearsons sells Château Latour

By Lisa Wood

CHATEAU LATOUR, producer of one of France's finest clarets, is set to come under the control of Allied-Lyons, the UK brewer of Benskins best bitter and Ballantine's whisky.

Allied-Lyons has had a 25.2 per cent stake in Château Latour for 26 years. Now it is to acquire for £56.2m cash the 53.5 per cent held by Pearson, the conglomerate owning the Financial Times.

Allied-Lyons has also undertaken to offer substantially the same terms as those being offered to Pearson – in which News International holds an 18.5 per cent stake – to all the other shareholders. This would value Château Latour at £110m.

Château Latour, situated in the Medoc district, is one of the five premier cru wines of Bordeaux. Like the others – Lafite, Margaux, Mouton-Rothschild and Haut-Brion – it can command prices well in excess of £1,000 a case for the best vintages.

As a multiple of earnings, the price makes Château Latour the most expensive vineyard ever sold. However, in recent years other luxury brands in the alcoholic drinks industry have commanded similarly high multiples.

Lord Blakenham, chairman and chief executive of Pearson, said the decision to sell was a further step in Pearson's policy of focusing on its core businesses.

He said: "Château Latour has a very high capital value but it is small in relation to the rest of our activities and we have no related industries."

Sir Derrick Holden-Brown, chairman of Allied-Lyons, said the ownership of Château Latour as part of a portfolio which included Courvoisier, Ballantine's and Canadian Club was of outstanding value.

"The benefit of Château Latour in underwriting our credentials as a world leader in wines and spirits and providing a further powerful entrée to the major markets is immeasurable." He was delighted Mr Alan Hare had agreed to stay on as chairman and manager of Château Latour.

In the year to December 31 Château Latour made profits before tax of FFr43.2m (£4m). The book value of net assets at December 31 was FFr134.4m.

The deal is subject to certain conditions including French Government administrative requirements. Château Latour will pay a special dividend, amounting to about £5m, to its shareholders as part of the sale arrangements, of which Pearson will receive £2.7m.

Less means better. Page 7

US seeks IMF agreement on Brady debt plans

By Peter Norman and Peter Riddell in Washington

THE US hopes the meetings of the International Monetary Fund and World Bank which begin in Washington this weekend will reach broad agreement leading to the production of detailed plans based on US ideas for Third World debt reduction.

A senior US Treasury official made clear yesterday the Administration is in no hurry to increase the fund's capital, even though proposals put forward three weeks ago by Mr Nicholas Brady, Treasury Secretary, envisage the mobilisation of IMF and World Bank resources in support of debt reduction.

The official told reporters an increase in IMF quotas, or membership subscriptions, need not be decided before 1990. Formally, the fund's 151 member-countries should decide by the end of April whether, and by how much, they should boost the organisation's capital.

The IMF has been pressing for an early decision on a large increase in quotas, preferably a doubling, to enable it to play a full role in a revised debt strategy.

The US debt reduction ideas are set to dominate discussions in Washington. They will be the main issue when the Group of Seven leading industrial countries, comprising the US, Japan, West Germany, France, Britain, Italy and Canada, meet in a country retreat south of Washington tomorrow. The IMF's policy-making interim committee will continue the talks on Monday.

The Brady plans, which are still vague, have won French and Japanese support. But they have prompted concern among other European nations, which see a danger the US ideas might achieve only a small alleviation of the debt problem at the expense of a transfer of risk to taxpayers from the private sector.

Yesterday, the senior US Treasury official made clear the aim of Mr Brady's ideas would be to boost debt reduction over two to three years to improve the credit profile of the debtor nations.

Mr Brady has suggested putting IMF and World Bank funds in pools so that debtor countries can buy back debt at a discount. The World Bank would also provide guarantees on interest payments to reduce the cost of servicing debt.

But the official said implementation of the new ideas would take place on a case by case basis. The debtor countries themselves should act by opening their markets to foreign investors and taking steps to attract back flight capital. The banks would also have to provide more funds to debtor nations. This could take the form of trade finance, "club" loans by groups of banks that do not belong to the bank advisory committees for the debtor nations or new lending along traditional lines by advisory committee members.

Mr Brady's ideas for easing the debt crisis were only one issue to be considered in connection with any increase in IMF quotas, the official said. The US, which has the power of veto over IMF decisions, believes discussions on a quota increase should include a thorough review of the IMF's resources and depend on the IMF providing a full plan about how it would use any increase.

Bound up with the quota increase is the difficult issue of Japan's desire to play a larger part in the running of the IMF, raising its shareholding and votes from fifth to second place, displacing the UK.

Alongside the debt discussions, the ministers and central bankers of the leading industrial countries will review the impact of revived inflation on economic policy co-ordination and are expected to reaffirm their commitment to maintaining broadly stable currencies.

Ralph Atkins adds: The dollar edged higher against the D-Mark yesterday in quiet trading ahead of the IMF and World Bank meetings. At the close in London, the dollar was at DM1.894 compared with DM1.893 at the previous close. At lunchtime in New York it was trading at $1.895.

Sterling also firmed. It ended in London at DM3.1975 compared with DM3.19 at the previous close. The Bank of England's trade weighted index closed 0.2 higher at 95.5.

UK share prices rose sharply, largely because of technical factors. The FT-SE 100 share index more than reversed losses on Thursday to end 25.6 points higher at 2075.0.

David Goodhart in Bonn adds: Mr Gerhard Stoltenberg, the West German Finance Minister, said yesterday he opposed a further rise in the value of the dollar. "We are again in a situation where a further increase in the dollar is not desirable," he said.

Money Markets, Page 11, Editorial Comment, Page 6

Weekend FT

EDUCATING THE WORLD

Cuba's Fidel Castro wants a place in the history books. He also has an obsessive belief in the importance of education. Report by Robert Graham

Page I

Finance

Rod Oram meets Warren Buffatt, king of the arbitrageurs

Page III

Travel

Michael Thompson-Noel heralds formidable growth in world tourism, but has trouble crossing London. Plus: Alexender Norman in Oman

Page IX

Diversions

Archaeologists have made an astonishing discovery that could indicate that the Mycenaeans invented cricket – an exclusive report. Plus: How To Spend It with Lucia van der Post, Despatches, and Cookery

Page XVIII-XIX

The Arts

Peter Palumbo takes over as chairman of the Arts Council on Monday. Profile by Antony Thorncroft.

Page XX-XXI

Sport

Horse racing and tennis

Page XXII

MARKETS

STERLING
New York lunchtime:
$1.6850
London:
$1.6880 (1.685)
DM3.1975 (3.19)
FFr10.7925 (10.7725)
SFr2.8050 (2.785)
Y223.50 (223.75)
£ index 95.5 (95.3)

GOLD
New York: Comex Jun
$388.9
London:
$383.75 (384.25)

N SEA OIL (Argus)
Brent 15-day Apr
$20.35 (19.90)

Chief price changes yesterday: Page 22

DOLLAR
New York lunchtime:
DM1.8955
FFr6.3920
SFr1.6620
Y132.70
London:
DM1.8940 (1.893)
FFr6.3950 (6.3925)
SFr1.6610 (1.653)
Y132.45 (132.75)
$ Index 68.8 (68.6)
Tokyo close: Y132.55

US LUNCHTIME RATES
Fed Funds 10%
3-mo Treasury Bills:
yield: 9.218%
Long Bond: 97$\frac{7}{32}$
yield: 9.14%

STOCK INDICES
FT-SE 100:
2,075.0 (+25.6)
FT Ordinary:
1,707.9 (+21.2)
FT-A All Share:
1,076.15 (+1.0%)
FT-A long gilt yield index high coupon:
9.34 (9.33)
New York lunchtime:
DJ Ind. Av.
2,290.69 (+9.35)
Tokyo: Nikkei
32,838.68 (+12.55)

LONDON MONEY
3-month interbank:
closing 13$\frac{1}{32}$ (13)

CONTENTS

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Austria Sch22; Bahrain Din0.650; Bermuda $1.50; Belgium BFr48; Canada C$1.00; Cyprus C£0.90; Denmark DKr10.00; Egypt E£2.25; Finland Fmk7.00; France FFr7.00; Germany DM2.30; Greece Dr120; Hong Kong HK$12; Iceland IKr125; India Rup15; Indonesia Rp3,100; Ireland £0.60; Israel NIS3.50; Italy L1700; Japan Y600; Jordan Fils.500; Kuwait Fils.500; Lebanon $L125; Luxembourg LFr48; Malaysia Rin4.25; Malta 40c; Mexico Pes300; Morocco Dh8.00, Netherlands Fl3.00; Norway Nkr10.00; Portugal Esc120; S.Arabia Rls7.00; Singapore S$4.10; Spain Pta145; Sri Lanka Rup30; Sweden SKr9.00; Switzerland SFr2.30; Taiwan NT$95; Thailand Bht50; Tunisia Din0.800; Turkey L800; UAE Dh6.50; USA $1.00.

Takeshita says Recruit backed his campaign

By Ian Rodger in Tokyo

MR Noboru Takeshita, Japan's beleaguered Prime Minister, admitted yesterday that the Recruit publishing group, which has been charged with attempting to bribe leading businessmen, government officials and politicians, bought tickets worth Y20m (£85,000) for one of his fund-raising parties in 1987.

Political analysts in Tokyo said the revelation of the donations, made in a Japanese newspaper yesterday morning, could further damage Mr Takeshita's survival prospects as Prime Minister, although his rating is already terminally low by traditional Japanese standards.

According to the most recent opinion poll, only 9 per cent of the people are satisfied with his cabinet's performance. Uncertainties about the impact of a new value added tax, to be introduced today, as well as the Recruit scandal have alienated large numbers of people.

In recent weeks, 13 businessmen and senior bureaucrats have been arrested on bribery charges in connection with the scandal, and three cabinet ministers have been forced to resign.

Opposition leaders demanded yesterday that Mr Takeshita dissolve his cabinet and call general elections, but he said it was his duty to remain in power and do what was necessary to restore people's trust in politicians. He acknowledged that the Recruit contribution was "a lot".

Takeshita aides pointed out that the donation was made before he was prime minister and before the extent of Recruit's largesse towards businessmen, officials and politicians was known. However, opposition leaders say it was made at a party where he announced his intention to seek the leadership of the Liberal Democratic Party and they believe it amounts to an infraction of the Political Financing Act.

Meanwhile, a hint yesterday that the investigation into the scandal may not have much further to go provided a shred of comfort for Mr Takeshita. A Justice Ministry official, responding to questions yesterday at a Diet (Parliament) committee hearing, suggested that the investigation might end in mid-April. He said the three-week detention period for Mr Kunio Takaishi, a former vice minister of education arrested this week on charges of receiving bribes from Recruit, would end on April 17, and that could be considered a target date.

Japanese newspapers have been speculating that the investigators' next target will be prominent politicians, possibly including Mr Yasuhiro Nakasone, who was prime minister when the Recruit bribery attempts were made.

● Mr Hiroshi Matsnhara, a former official of a Recruit subsidiary, was given an 18-month suspended sentence by a Tokyo court yesterday for attempting to bribe an opposition politician, Mr Yanosuke Narazaki, on three occasions last August.

The attempts were designed to persuade Mr Narazaki to abandon his inquiries into Recruit's gifts to high officials. Mr Narazaki arranged for one of the attempts to be filmed by a television station, and the subsequent broadcast in early September caused a sensation and gave new impetus to official investigations into the Recruit affair.

Tokyo attacks US over fighter deal

By Our Tokyo Correspondent

US attempts to revise last year's agreement on joint development of a new Japanese support fighter aircraft, the so-called FSX, attracted renewed strong criticism in Japan yesterday.

Mr Kichiro Tazawa, Minister of State for Defence, said in Tokyo that both governments must respect and implement the memorandum of understanding which they signed last November to develop the FSX based on the General Dynamics F-16.

The fact that there had been a change of Administration since the memorandum was signed was not a satisfactory reason for the US to seek to change it, Mr Tazawa said. He did not accept the claim made by members of the new Administration that they do not understand the agreement, and he urged the US to be more steady and act as a superpower.

Mr Tazawa was speaking following briefings from Mr Seiki Nishihiro, Vice Minister of Defence, who had visited Washington earlier this week in a vain attempt to iron out differences over what President George Bush called "certain clarifications" needed before a formal go-ahead could be given.

The tone of his remarks suggest that Tokyo will be tougher than it has in the past in dealing with US complaints of various kinds. It may also be part of a campaign to counter the violent criticism of the project itself that has emerged in Washington in recent weeks.

Some Congressmen and Administration officials fear that Japanese companies will use F-16 technology to develop aircraft that will be competitive with US models. Others would rather that Japan simply buy F-16s, which would be much cheaper than developing a new aircraft and would contribute to reducing the country's huge trade surplus with the US.

According to various reports, Washington has called for at least 40 per cent of the work in both the development and production stages to be allocated to US contractors and for enhanced measures to protect sensitive US technology in the F-16. Under last year's agreement, Japan would pay the full cost of the Y165bn (£737m) development of the FSX and would then buy 130 aircraft for an estimated Y5.15bn each.

Second Sino-Hong Kong N-plant under study

By Michael Marray in Hong Kong

HONG KONG could soon have a second nuclear power plant built on its doorstep, across the border in China. Chinese authorities are completing a feasibility study on a second power plant at Daya Bay, where a Sino-Hong Kong joint venture is already building a reactor scheduled to come on stream in 1992.

Chinese officials have said that the infrastructure facilities being put in place for the Daya Bay project will reduce construction costs for other power plants, and that work could begin next year on a second plant to be commissioned in 1995.

As many as four nuclear power stations could eventually be built in the area.

Daya Bay is 50 miles from Hong Kong's central urban areas, and its construction has been the source of a long controversy in the territory, with local environmentalists expressing concern over safety at the plant, especially following a 1987 construction blunder where steel reinforcing bars were accidentally left out of the foundations.

The HK$29bn (£2.2bn) power plant is being built by the Guangdong Nuclear Power Joint Venture Company, which is 25 per cent owned by China Light and Power through its wholly owned subsidiary Hong Kong Nuclear Investment. It will supply electricity to both Hong Kong and Guangdong Province.

Japanese current account surplus rises 16%

By Ian Rodger and Nancy Dunne

JAPAN'S current account surplus in February rose an embarrassing 16 per cent year on year to $7.7bn, mainly due to a 10.5 per cent rise in exports and a near stagnation of import growth, the Ministry of Finance reported yesterday.

The announcement was made as reports reached Tokyo that Ms Carla Hills, the US Trade Representative, was threatening in Washington to take retaliatory action against Japan for unfair trade practices under the so called "Super 301" provisions of last year's Trade Act.

According to the reports, Mr Michihiko Kunihiro, a Japanese deputy foreign minister, said after meeting Ms Hills that she had told him the Administration would be unable to control advocates of managed trade unless Japan took steps to reduce its huge trade surpluses.

In Washington, a spokesman for Ms Hills acknowledged a recent meeting between the Trade Representative and Mr Kunihiro. The two discussed the trade imbalance and Ms Hills urged Japan to find a way to increase its US imports. However, the spokesman insisted that managed trade had not been mentioned.

Japan's trade surplus in February rose 26 per cent to $9bn, the first gain in two months. Exports were up 10.5 per cent to $21.9bn while imports were up only 1.8 per cent to $12.9bn. Officials attributed the slow import growth to decreased aircraft purchases in the current year and a 20.8 per cent drop in the value of oil imports.

On a seasonally adjusted basis, the current account surplus surged 31 per cent over January's level to $8.8bn.

The invisibles deficit dropped sharply from $2.25bn in January to $1.04bn in February. Meanwhile, Japanese investors' net purchases of foreign bonds in February more than doubled to $11.2bn from $5.1bn in January. The basic external balance was in surplus to the tune of $4.3bn compared with a $1.7bn deficit in February 1988.

Shortages lead to Chinese panic buying

By Colina MacDougall

SHORTAGES have triggered a new round of panic buying in southern Chinese cities, endangering Peking's austerity policies designed to cool last year's controversial inflation and put the economy back on course.

Fears of a fresh rise in grain prices caused residents of Jiangsu province to rush out and buy food grain and edible oil, and in Zhejiang province people queued for cotton knitwear, toothpaste and soap, the Economic Daily reported.

Last summer China was hit by nationwide panic buying and bank runs caused by a sudden loss of confidence in the currency. Inflation, put officially at 18.5 per cent last year but often much higher, led to massive hoarding of household items. Since then, Peking has been desperately trying to hold down currency in circulation and draw cash back into the banks, but with limited success.

The Economic Daily admitted that the phenomenon had arisen in part because Peking's financial freeze had caused a downturn in light industry output in the first two months of this year. However, it said the main cause was that people were "credulous enough to believe rumours".

Serious consequences would include slowing the banks' effort to recover funds for deposits, spurring new price rises and making it easier to sell inferior products, the paper said. Fearing a spread of the rush to buy, it urged officials to crack down on speculators, step up publicity for the Government's stable prices policy and, where possible, increase supplies of goods.

Thatcher expects SA reformers to take over

By Michael Holman in Blantyre

THERE is a "new group at the top" in South Africa who "are willing to take the necessary steps" when President P W Botha steps down, Mrs Margaret Thatcher, the British Prime Minister, said last night.

It is the closest Mrs Thatcher has come to publicly criticising Mr Botha, expected to retire after a general election in September or October.

It is understood that Mrs Thatcher has been impatient for some time about the slow pace of reform in South Africa. The Prime Minister did not say what she meant by "necessary steps" but she has been pressing for the release of the leader of the African National Congress, Mr Nelson Mandela.

After a recent meeting in London with Mr Pik Botha, the South African Foreign Minister, Mrs Thatcher expressed optimism about the prospects for Mr Mandela's release.

The Prime Minister was speaking at a press conference held at President Hastings Banda's Sanjika Palace in Blantyre at the end of her visit to Malawi.

Earlier in the day, Mrs Thatcher had visited a Mozambique refugee camp just inside Malawi's borders. Malawi provides refuge to over 600,000 Mozambicans who have fled the war between the Government and Renamo rebels.

Mrs Thatcher, who once again condemned Renamo as a "terrorist" organisation, announced a £3m grant for the refugee programme.

At a banquet held in her honour last night, Mrs Thatcher told guests that she had "the conviction that this is a time of new hope for Southern Africa".

She went on: "Within South Africa one sees a growing acceptance that discrimination must end and will end, that black South Africans must be allowed to play their part in politics and government."

UN special representative arrives in Namibia

THE second attempt at securing independence for Namibia under UN auspices gets under way today following the arrival in Windhoek of Mr Martti Ahtisaari, the UN special representative, writes Anthony Robinson. Mr Ahtisaari, whose first attempt to implement UN Resolution 435 foundered on South African opposition 11 years ago, will work with Mr Louis Pienaar, Pretoria's Administrator General, to supervise elections to a constituent assembly and the transition to independence.

The Finnish UN diplomat, who is responsible for a 13-nation military task force, was welcomed at Windhoek airport by Ovahimbi tribespeople and other supporters of the Democratic Turnhalle Alliance (DTA). Many were bussed in by the well-funded five-party coalition which forms the main opposition to the South West Africa People's Organisation (Swapo). The latter boycotted the arrival, fearing dirty tricks by the security forces. Two rival rallies are planned outside Windhoek today to celebrate the start of implementation of Resolution 435.

Mr Pik Botha, the South African Foreign Minister, and General Magnus Malan, the Defence Minister, yesterday flew in for talks with the UN diplomat. Both men are expected to meet Mrs Margaret Thatcher. Her visit is aimed at giving symbolic backing to the independence process but she will also meet British troops seconded to the UN and visit the Rossing uranium mine, managed by UK-based RTZ.

Countdown to independence starts today

Michael Holman charts the milestones on the road to freedom for Africa's last colony

TWO agreements determine the coming sequence of events in Angola and Namibia.

The first is known as UN Resolution 435, adopted in 1978, and also involving over 30 documents drawn up during protracted negotiations.

The second is the agreement between Angola and Cuba, signed in New York last December, setting a timetable for the withdrawal of 50,000 Cuban troops from Angola.

South Africa's implementation of the first agreement is conditional on enforcement of the second.

The Cuban troop withdrawal is already under way. In January, 3,000 Cubans left Angola, well in advance of the treaty's April 1, 1989, deadline.

The next stages are:

AUGUST 1: Remaining Cuban troops must be north of the 15th parallel, which runs through the middle of Angola. The troops will then be out of the southern war zone which borders Namibia.

NOVEMBER 1: Half the original number of Cuban troops must have left Angola by this date, election day in Namibia. Those remaining, 25,000, must have pulled back further north of the 13th parallel.

APRIL 1, 1990: A further 8,000 Cuban troops must leave.

OCTOBER 1, 1990: Deadline for the departure of 5,000 more Cuban troops.

JULY 1, 1991: All remaining Cuban forces to have left.

The entire process will be monitored by the UN and the United States.

A further key element is Angola's implicit agreement to dismantle the African National Congress's five military camps in the country.

Namibia's countdown to independence begins today, April 1. It will be monitored by a 4,650-strong United Nations transition assistance group, comprising military contingents from around the world, and about 1,000 civilians. The military contingent was cut from the 7,500 originally envisaged, saving about $200m on an exercise which otherwise would have cost at least $650m. African countries strongly objected to the reduction.

The process is supervised by Mr Martti Ahtisaari working with Mr Louis Pienaar, the South African "governor".

The programme in Namibia itself is as follows:

TODAY: The South African Defence Force (SADF) and the South West Africa Territorial Force (SWATF) are confined to their bases. Release of political prisoners gets under way.

APRIL 14: Demilitarised zone 50 kilometres either side of the Namibian border with Angola and Zambia established. Specified military locations allowed to remain.

MAY 12: SWATF, commandos and citizen forces to be disbanded. SADF within Namibia to be reduced to 12,000. Arrangements for return of estimated 70,000 refugees begins. Election rules issued. Repeal of discriminatory laws completed.

JUNE 2: SADF limited to 8,000.

JUNE 24: Official start of four months' election campaign. All but 1,500 members of the SADF to have withdrawn to South Africa. Those that remain confined to bases at Grootfontein and Oshivelo in the north of Namibia.

MID-OCTOBER: More than 600 official election observers arrive, to monitor more than 400 polling stations.

END OCTOBER-NOVEMBER: Elections to constituent assembly, which then begins deliberations on new constitution.

NOVEMBER 8: Total SADF withdrawal.

MARCH OR APRIL, 1990: Formal independence ceremony expected, although no date is specified for the conclusion of the constituent assembly.

Responsibility for maintaining law and order during the transition rests with the 6,300 local police force, monitored by some 500 UNTAG police.

Arab League needs Egypt, says Fahd

By Barbara Slavin in Cairo

KING FAHD of Saudi Arabia yesterday pledged his support for Egypt's reinstatement to the Arab League, and for the reconstruction of an Iraqi nuclear reactor destroyed by Israel eight years ago.

A communiqué issued by President Hosni Mubarak and King Fahd at the end of the king's five-day visit to Egypt said: "Egypt's presence within the Arab fold is indispensable for joint concrete Arab work... in achieving the rights of the Arab nation."

In earlier remarks to Egyptian newspaper editors, the Saudi monarch said consultations would begin after Ramadan, the Moslem holy month, on convening an Arab League summit to end Egypt's decade-long exclusion for signing a separate peace treaty with Israel.

Asked about reports that Saudi Arabia would help Iraq reconstruct its Osirak nuclear reactor near Baghdad, he said: "We have expressed readiness to help rebuild" the facility. But he insisted it would serve only civilian uses.

The Israelis, who are believed to be the only nuclear weapons power in the region, destroyed the French-built Iraqi reactor in 1981 when it was almost finished. They have threatened to act again if the facility is rebuilt.

But military experts in Washington have been quoted as saying that it would be much harder for Israel to mount another successful strike, because Iraq has scattered, secret nuclear facilities. They said it would probably take another five years before Iraq could build the first Arab atom bomb.

Yesterday, the Washington Post reported that Iraq was building a nuclear warhead for a missile that could carry it to targets in Israel. In a dispatch from Jerusalem, the newspaper reported that some "well-placed Israeli sources" said Iraq was two years away from testing such a warhead, while others said five years.

Neither the communiqué nor King Fahd's comments to editors specified what Saudi Arabia would do to assist Egypt's depressed economy.

President Mubarak leaves today for Washington, where he is to hold talks about a programme of Egyptian economic reforms and Middle East peace efforts. Saudi financial support would help Egypt hold out for lenient terms from the International Monetary Fund, as it did in 1987. But the communiqué said only that Egypt and Saudi Arabia had agreed to set up a committee to increase co-operation in trade, transport, insurance and cultural relations.

King Fahd (in dark glasses) and President Mubarak (to his right) attend a Friday prayer sermon in Cairo

Arafat under fire as PLO council meets

By Lamis Andoni in Amman

THE CENTRAL Council of the Palestine Liberation Organisation began a round of meetings in Tunis yesterday amid the harshest internal criticism of Mr Yassir Arafat, PLO leader, since the organisation launched a peace initiative in Algiers last year.

The meetings of the council, which links the PLO leadership and the Palestine National Council, the main Palestinian decision-making body, were the first of their kind since the PLO accepted a UN resolution recognising Israel and declared an independent Palestinian state in November.

Left-wing members, and even some high-ranking officials of Fatah, Mr Arafat's mainstream faction, were pushing for constraints on what they described as "compromising tactics" by the PLO leader and a number of his aides.

The barrage of criticism is mainly directed at statements by Mr Arafat and others, including his adviser, Mr Bassam Abu Sharif, implying encouragement for direct Palestinian-Israeli negotiations and the acceptance of a qualified truce with Israel in south Lebanon.

During the second round of official talks between the PLO and the US in Tunis last week the Palestinian delegation rejected American calls to halt armed Palestinian commando attacks against Israel, to reduce the intensity of the 15-month-old *intifado* – the uprising in the Israeli-occupied territories – and to encourage elections of Palestinian representatives in the West Bank and the Gaza Strip.

Instead the PLO leadership and the Unified National Leadership of the *intifada* ordered a ban this week on all Palestinian negotiations with Israeli officials. They also decided that no Palestinian-Israeli contact would be allowed without the prior approval of the UNL and the PLO.

The council was also expecting a decision to appoint Mr Arafat as the president of the Palestinian state. Mr Arafat's appointment was not facing any real opposition either from the left-wing factions or from within his own group.

Despite the increasing attacks on Mr Arafat's policies the opposition groups said they were still adhering to the Palestinian peace strategy but wanted the council to formulate "an appropriate mechanism" that should lead to a UN-sponsored international peace conference.

Oil spill captain sacked

THE captain of the tanker that caused the largest US oil spill has been sacked after a federal investigation showed that he was intoxicated beyond the legal limit when his ship ran aground, AP reports from Alaska.

Capt Joseph Hazelwood was dismissed on Thursday for violating company rules that ban alcohol on its ships, Mr Frank Iarossi, President of Exxon Shipping, said yesterday.

The ensuing spill from the ship has left a 600-square-mile slick on Prince William Sound, one of Alaska's most pristine and scenic marine areas.

Basque rebels extend deadline

Basque guerrillas yesterday gave the Spanish Government a new 72-hour deadline to agree publicly to negotiate a political settlement or face a resumption of violence, Reuter reports from Madrid.

A 24-hour ultimatum by the Eta separatist movement expired earlier this week. Eta has accused the Government of watering down agreements reached in secret talks in Algiers to end its 21-year campaign for Basque independence.

The group, which is demanding political concessions, said it would end a 10-week-old truce unless Madrid said publicly a "negotiated political settlement" was being sought.

The Government has ruled out political concessions.

Brussels Moslem killing claim

A Moslem group in Lebanon said yesterday it killed the spiritual leader of Belgium's Moslems and his deputy.

The group, called Soldiers of Truth, has previously claimed responsibility for kidnapping a Belgian doctor and assassinating Saudi Arabian diplomats.

In a statement sent to an international news agency in Beirut, the Soldiers of Truth said: "Our organisation declares its responsibility for executing God's judgment on the traitors Abdullah al-Ahdal and Salim Bahri in Brussels."

Shamir in election offer to Palestinians

ISRAEL is prepared to hold elections in the occupied territories before implementing autonomy for Palestinians, according to Mr Yitzhak Shamir, the right-wing Prime Minister, writes Andrew Whitley in Jerusalem.

The disclosure was made as Mr Shamir prepared for a meeting with President Bush next week. The US wants him to come up with new ideas.

Mr Shamir said his goal would be to start talks on resuming the peace process "between ourselves and the Palestinian Arabs, and ourselves and the Arab states".

Record trade gap for Portugal

By Diana Smith in Lisbon

PORTUGAL's visible trade deficit soared to Es888bn (£3.37bn) in 1988. This was the widest trade gap in the country's history, 34 per cent worse than in 1987.

December 1988 figures show that last year imports grew to Es2,414bn, a 22.9 per cent increase over 1987.

Two thirds of the imports came from eight countries, seven of them Portugal's EC partners – West Germany, Spain, France, Italy, the UK, Belgium and the Netherlands. The eighth was the US.

The biggest individual deficits were with Italy (Es163bn), now Portugal's main supplier of machinery, Spain (Es151bn), which since EC membership has poured consumer goods and vehicles into Portugal, and West Germany (Es104bn), which has been Portugal's main supplier since 1967.

1988 exports grew 16.8 per cent to a record Es1,581bn, but however hard Portuguese manufacturers tried to narrow the gap between their country's sales to and purchases from EC partners, the smallness of Portugal's industrial base was a serious impediment.

Private consumption remained overheated in 1988, forcing up import demand, as industrial output grew at two points less than consumption.

Deterioration of visible trade has pushed Portugal's balance of payments on the current account back into the red after three years in the black. March Bank of Portugal figures reported a provisional deficit of $440m, which is expected to be larger when the final tally of late Customs statistics is done.

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Why perestroika is bad news for Castro

Gorbachev's visit to Cuba comes amid a loosening of ties, writes **Robert Graham**

HAPPIER TIMES: Fidel Castro with Soviet leaders he felt more at one with, Khrushchev and Brezhnev

THE Soviet embassy in Havana is a masterpiece of neo-brutalist architecture, whose central feature is an *immensely tall tower in the* shape of a sword handle. For long this seemed a perversely apt symbol for the cumbrous but massive Soviet presence in Cuba initiated during the Krushchev era.

However, it is no longer so. The coming to power of the new Soviet leadership under Mr Mikhail Gorbachev has initiated a fundamental shift in Moscow's relations with Cuba. Mr Gorbachev's pragmatic approach to political and economic reform at home and commitment to detente abroad has virtually removed Cuba as a source of superpower tension. This in turn has raised questions about Mr Gorbachev's willingness to underwrite the Cuban economy to the tune of $3bn a year.

It is against this background that Mr Gorbachev arrives tomorrow for a three-day visit, the first by a Soviet leader in 15 years. He should have visited Cuba last December but cancelled the trip at the last minute because of the earthquake in Armenia. The delay has arguably allowed both sides to review their positions and remove some of the possi*ble areas of conflict.*

The two leaders have marked differences of view. President Castro has consistently rejected any suggestion that Cuba should follow perestroika and has pointedly said: "We are creators not imitators." He has also rejected the *kind of managerial and market* oriented reforms taking place in the Soviet economy. Indeed, he has gone out of his way to reassert the value of a centrally planned economy.

Such statements reflect a strongly held view that Cuba's situation is wholly different from *that of the Soviet Union.* Cuban officials are for instance eager to stress that their revolution has not made the same mistakes alienating the population as in the Soviet Union – especially regarding agricultural policy.

At a more cynical level perestroika is difficult for President Castro to endorse simply because the Cuban revolution *is largely his creation and any* opening up would necessarily question the authoritarian system he has created.

Although these differences of approach have received the most publicity in Western media, they are probably the least source of friction. The *main points of potential fric*tion concern economic aid, the evolution of Comecon *and* the generally reduced importance attached by Moscow to relations with Cuba. Over 70 per cent of trade is with the Soviet Union, while Cuba has accumulated debts to the latter *equivalent* to *$11bn (against* $6.5bn owed in hard currency to Western creditors). Almost three decades of Soviet assistance have made Cuba more rather than less dependent.

Soviet economic aid to Cuba is agreed on a five year basis in broad agreement with other Comecon members. According to senior Cuban officials, the Soviet leadership has given *assurances that all aid* and trade agreements agreed for the current five year plan, 1986-90, will be honoured. Even if individual Soviet concerns were to alter their pricing policy, any difference would be made good by the state. Howewver, the Cubans are already *working on the 1990-95* plan and are concerned over what could happen to Soviet aid and from Comecon reforms.

Soviet aid is provided in many different ways and is hard to quantify accurately in dollar terms. The biggest single support mechanism comes in the form of guaranteed prices paid for sugar deliveries. For the current plan, the Soviets are paying 36/37 US cents a pound, more than three times the internationally traded price. This represents a substantial level of assistance.

Since 1987 the Soviets have initiated a policy of penalising the Cubans for failing to fulfil their delivery commitments *(especially important since offi*cial alcohol restrictions pushed up domestic Soviet sugar consumption). As a result Cuba was obliged in 1987 to buy 1m tons on the open market and a smaller but unstated quantity last year.

The other major form of support is the supply of crude oil, making up Cuba's energy shortfall. This is via a tripartite deal with Venezuela (the Soviets supplying Venezuelan clients in Europe in return for Venezuela supplying Cuba). Under the current five year plan, the Soviets are committed to providing 67m tons based on the average price of crude for the previous five years.

The main advantage to Cuba is security of supply and the way in which Havana is allowed to resell any crude oil it may save. This has amounted to as much as $600m in one year although last year it was around $200m due to lower prices.

Other support mechanisms include guaranteed prices for nickel and the supply of essential foodstuffs. On occasions, the Soviets have bought cere*als in hard currency from Can*ada on behalf of Cuba. In addition, the Soviets have helped virtually all the major development projects – nuclear power stations, nickel plants, ports, steel works – offering soft credits, technical expertise and equipment.

Mr Gorbachev is expected to reiterate a broad commitment of support to Cuba. But he is also expected to argue forcefully for greater accountability in the use of Soviet aid. The emphasis will be put on finishing existing projects and ensuring their efficient functioning rather *than promising* new ventures which neither side can afford.

The Cubans for their part are likely to complain in private over the quality of Soviet aid – the most glaring example being a nickel plant at Punta Gorda more than 12 years behind schedule. Indeed, one Latin American diplomat recently commented that the US in discussing the massive *Soviet aid to* Cuba *always* ignored the fact that much was of poor quality.

Mr Gorbachev is reportedly conscious of the poor quality of Soviet aid; but he could well convey a more brutal message – linking the flow of aid to reducing Cuba's budget deficit and holding down the country's lavish social spending. He is certainly expected to warn the Cubans to prepare their economy for possible changes in Comecon pricing and against future devaluation of the rouble.

As for military supplies, the Cubans already have accepted that the flow from Moscow will be reduced. The armed forces are extremely well-equipped and the country is unlikely to need more sophisticated materiel to protect itself against the US. Besides Cuba's main military concern is carrying out *the phased withdrawal of* 50,000 troops from Angola over the next two years.

There is no doubt that the Soviet Union will continue to guarantee Cuba's security. Nevertheless, one expected sign of East-West detente will be a downgrading of the Soviet *military use of Cuba. Satellites* and other new technologies have in any event reduced the island's strategic importance. At the same time, Mr Gorbachev has given every indication he is not so keen as his predecessors to endorse Cuban adventurism in the Caribbean *and elsewhere overseas.*

In foreign policy terms, one upshot of the visit could be some form of Soviet guarantee offered to Washington on Cuba's role in Nicaragua. A more far-reaching consequence will be the impact on Cuba's relations with the US. If the Soviet Union clearly demonstrates a desire to adopt a lower profile in Cuba, this will weaken the argument of the hardliners in the US who still see Cuba as a communist threat. This may be the real significance of Mr Gorbachev in Cuba.

Gorbachev rules out multi-party democracy

By Quentin Peel
in Moscow

SOVIET President Mikhail Gorbachev has again flatly rejected the idea of multi-party democracy in the Soviet Union in the wake of the country's elections, but admitted to *"many shortcomings* and a certain confusion" in the political reform process. At the same time, he insisted that a wave of votes against Communist Party officials in last Sunday's poll was a call for faster reform, and a criticism of their failure to change.

His remarks to leading newspaper editors in the country were published in full throughout the Soviet press yesterday, in the first substantial commentary by the Kremlin leadership on the elections, which left dozens of important party officials defeated by *rank-and-file opponents,* or denied enough votes to be elected unopposed.

Mr Gorbachev also called for a campaign in the press to speed up agricultural reform, warning that failure to tackle food shortages could destroy perestroika: "If we fail, all of perestroika will fail, and social stability will be gone."

Mr Gorbachev clearly sought to use the elections both to urge on the reform process, and to occupy the middle ground in the increasingly tense debate between opposite wings of the ruling Communist Party.

On the one hand, his rejection of any suggestion of multi-party democracy should go some way to reassuring the conservatives. On the other, he hinted strongly that defeated party leaders should be replaced.

He praised the election process, in spite of shortcomings, as proving that "Socialist democracy and people's self-government give vast opportunities for all to express their opinions,interests and attitudes."

Mr Gorbachev was also clear in his condemnation of the party leaders who failed. "If party and government bodies and individual leaders were criticised," he said, "it was because perestroika is proceeding too slowly."

Another remarkable passage of his address tackled the growing danger of egalitarianism, which he blamed on the renewed shortages in the system. "We have just begun to tackle egalitarian practices, which have done great harm to our society," he said, in an apparent reference to the hostility which has greeted the growth of co-operatives, paying high wages.

Ozal reshapes cabinet after local poll losses

By Jim Bodgener
in Ankara

SWEEPING cabinet changes were announced yesterday by Mr Turgut Ozal, the Turkish Prime Minister, following last Sunday's local election debacle for his ruling conservative Motherland Party (ANAP).

There are many new faces in the cabinet, clearly appointed to freshen the Government's jaded image. But the changes also mean a shift to the right for the ANAP leadership, perhaps to meet demands for a greater say in policy decisions by the right-wing "holy alliance" in ANAP, which embraces around a quarter of its 289 MPs. However, the Premier's liberal power base still predominates in the cabinet.

The most notable individual change was the jettisoning of Mr Yusuf Bozkurt Ozal, the premier's younger brother who, as State Minister for the Economy, had been accused in the press of flawed and high-handed economic management. Sunday's rebuff has been viewed as a protest vote against the Government's apparent inability to tackle high inflation in the past year and a half.

In his place, the Premier has placed much of the responsibility for the economy on himself, taking over from this brother responsibility for the three key institutions of economic management, the Treasury, the Central Bank and the State Planning Organisation. Mr Ozal is also in charge of the state banks and the state statistics institute.

Kosovo death toll reaches 24

By Judy Dempsey in Prishtina, Kosovo

THE death toll has risen to 24 in clashes between ethnic *Albanians and police in Yugo*slavia's southern province of Kosovo. But officials believe the toll could rise.

Mr Rajko Calovic, Kosovo's deputy Minister of the Interior, said yesterday some people might die from their injuries while others might be receiv*ing medical care in their* homes.

The number injured has risen to 200, and 254 ethnic Albanians have been arrested. These revised figures suggest the scale of the violence and force used by the police may have been much greater than *first claimed* by *the authori*ties.

Mr Calovic yesterday denied reports that the police had initially opened fire on the demonstrators, some of whom, he said, had been armed. However, *he gave* no *clear reply* when asked how many of those arms had been found. Nor would he elaborate on a statement by the Serbian authorities saying civilians had been shot dead by ethnic Albanians. This allegation, which has angered many ethnic Alba*nians, is seen as an attempt* by the Serbian authorities to deflect responsibility for the violence.

Mr Slobodan Milosevic, the powerful Serbian Communist party leader, was in the foreground for months in his attempts to amend Serbia's *constitution giving it greater* control over Kosovo. Despite a clampdown on the Kosovo media, now a virtual mouthpiece for Mr Milosevic, an 8pm to 5am curfew, compulsory work measures, and the clo*sure of schools and* the university, officials yesterday were at pains to describe Kosovo as "returning to normal."

But throughout the province, many ethnic Albanians, who are now openly criticised almost to the point of racism in the Serbian press, are afraid to talk openly. "What can I say?" one ethnic Albanian intellectual asked, pointing to MiG 21s flying above. "This is pure intimidation. If it happened anywhere else in the world, there would be an outcry."

Ethnic Albanians harbour *deep resentment towards* Mr Milosevic. They blame him for spurring on Serbian nationalism to justify the constitutional changes.

Bonn raises 1989 growth estimate

By David Goodhart in Bonn

MR Gerhard Stoltenberg, the West German Finance Minister, yesterday gave the first hint that the official economic growth projection of 2.5 per cent for 1989 may have to be revised upwards. The growth projection in 1988 was revised upwards several times before resting on the actual growth figure of 3.4 per cent.

He said that the economy had been performing more strongly than expected in the first few months of 1989 but added: "Currently we can be optimistic but we must wait and see if it continues."

Speaking at a press conference, before leaving for a weekend meeting of finance ministers in Washington, he also revealed he would be introducing supplementary spending of DM200m (£62.7m) to the 1989 budget. He said the extra spending would be funded by savings elsewhere and that total spending would remain at DM290.3bn and new borrowings at DM27.9bn.

About DM150m of the extra spending will go to a special education programme to help reduce the crush in the universities and most of the rest will help pay for improvements to the export control system following the revelations over exports to Libya earlier in the year. The lion's share will go to the Federal Economics Office in Eschborn and most of the rest to the Customs Crime Institute in Cologne.

Mr Stoltenberg also appeared to snub his junior cabinet colleague Mr Helmut Haussmann, the Economics Minister, by insisting that there was no hurry to produce specific proposals for reforming corporate tax. Last week Mr Haussmann, a member of the junior coalition partner the Free Democratic Party, floated various proposals for the reform.

Death threats undermine fight against Mafia

By Alan Friedman in Milan

FEARS are growing in Italy that the Government's battle against organised crime in Sicily is being significantly weakened by a series of death threats by the Sicilian Mafia against investigating judges and their families.

The number of threats reported has multiplied since the disclosure two days ago that one anti-mafia judge had asked to be removed from his job after he was told that his wife and children would be murdered by the Mafia. The Mafia's return to a strategy of terrorising the *families* of investigating magistrates is causing fresh doubts about the degree of backing that Mr Domenico Sica, the anti-mafia high commissioner, can expect from the Italian state. The threats come just as Mr Sica is trying to assemble a new anti-mafia team and are thus proving highly effective.

Mr Giuliano Vassali, the Minister of Justice in Rome has promised to investigate the death threats, but few observers believe this will be of any consequence. Threats are reported to have been made by the Mafia not only against judges in Sicily, but also against senior policemen and even officials of the Justice Ministry itself. The common response by threatened magistrates such as Judge Gianfranco Riggio is to declare to the Italian press that it is useless for them to behave as heroes when the Mafia is clearly stronger on Sicilian soil than the Italian state.

Solidarity talks still deadlocked

By Christopher Bobinski in Warsaw

THE IMPASSE between Solidarity and the Polish authorities in round-table talks continued yesterday as the Communist Party's Central Committee met to consider the leadership's next move. Solidarity and the party are deadlocked over the relative powers a new democratically elected senate and presidency controlled by the Communists are to have. Further talks between the two sides are planned for Monday.

General Wojciech Jaruzel*ski, the* party leader, had hoped that the Central Committee, after being consulted at informal sessions earlier in the day, would then in formal session approve official policy at the round table. But last night as the meeting continued past its planned closing *time it became clear* that the 200 members had insisted that a formal debate take place.

Long arm of the law reaches the 'right to know'

Louis Blom-Cooper explains why the special edition of the Observer was caught in the judicial net

MANY PEOPLE who applauded the particular decision last year of the House of Lords to release the publication of Spycatcher were nevertheless sensibly cautious about the merits of the general principle of law enunciated by the Law Lords and upon which the Government had won a notable victory – namely, that had it not been for the fact that copies of Spycatcher had been spattered across the world, the courts would have stifled for a lifetime any revelation by a civil servant of his work for the security services.

The power of the courts to impose a prior restraint on publication through the instrument of an injunction had been loudly proclaimed for all of those who wanted to hear to take heed.

For those who remained selectively deaf, the fate of the special edition of the Observer on the takeover of Harrods will surely be sharp awakening to the fact that English law and English judges are not over-responsive to media and other clamours for the right to know what is going on in the affairs of government.

The Observer may just have beaten the starter's gun, but the judicial shot has been fired effectively to prevent any further publication – not just by the Observer but also by any other newspaper or publishing house – of the DTI inspector's report on the takeover of Harrods by the House of Fraser. The arm of the law stretches out way beyond the immediate media miscreant.

That well-known proponent of English constitutionalism, Professor Dicey, wrote in his classic work, introduction to the Study of the Law of the Constitution, that the so-called freedom of the press in England was "a mere application of the general principle that no man is punishable except for a distinct breach of the law."

He went on to observe that "no such thing is known with us as a licence to print, or a censorship either of the press or of political newspapers."

He admitted that a breach of the law committed by publication could result in penalties being imposed by the law of libel because "no one can maintain that the law of England recognises anything like that natural right to the free communication of thoughts and opinions, which was proclaimed in France a little over a hundred years ago to be one of the most valuable rights of man."

Prof Dicey would be pleased at what has happened in the US. But his gratification at the repugnance for prior restraint on the freedom of the press would probably have been qualified by the reflection that the French influence had made itself felt through the strict application of the First Amendment to the US Constitution: "The people shall not be deprived or abridged of their great right to speak, to write, or to publish their sentiments; and the freedom of the press, as one of the great bulwarks of liberty shall be inviolable."

There is, in fact, an impelling lesson in the American experience that prior restraint is fundamentally obnoxious to freedom of expression.

The US Supreme Court in 1971 upheld this bulwark of liberty in unusual circumstances that are universally instructive. A series of papers on high-level policy discussions and decisions relating to the conduct of the war in Vietnam had been abstracted from the Pentagon.

The *New York Times* and the Washington Post and other newspapers had published part of, and proposed to continue publishing, an edited version of the Pentagon Papers. The US Government had then sought to restrain the publications on the grounds that they would endanger national security.

What was notable about the US Government's stance was that it was not questioning the legislative validity of any Act of Congress. The First Amendment to the Constitution is usually invoked to strike down federal or state legislation seeking to restrain freedom of expression.

The court was, in fact, being asked to take upon itself and exercise a power, which, it was argued, was essential to uphold the Presidential power to protect the security of the United States.

By a majority, the court declined to exercise any such power, and was divided on the question whether indeed such a power even existed and its extent, if it did.

The culprit in the Pentagon Papers was Daniel Ellsburg, who had removed the documents, apparently believing in good faith that by removing papers relating to high-level policy decisions and revealing them to the press he was doing a service to his country in providing essential information for public debate.

Dean Erwin Griswold, who, as solicitor-general had conducted the US Government's prosecution of the claim to protect the Pentagon Papers, has recently revealed that he became persuaded that the court had been right. Rarely, if ever, he has now said, is the attempt by government at non-disclosure of documentary material other than a means of preventing embarrassment to government. And that was a case of national security, not just the processes of investigation of corporate activity and criminal justice.

The report of the inspectors investigating the House of Fraser takeover – the inspectors were Mr Henry Brooke, QC (now Mr Justice Brooke) and Mr Hugh Aldous, FCA – was ordered by the Secretary of State for Trade and industry in April 1987. The inspectors delivered their report in July 1988.

If criminal proceedings were indicated by the inspectors' report, then fair play would *demand that the revelation* of the contents should await the outcome of any criminal trial. No editor exercising the editorial responsibility that always accompanies the freedom to publish could fail in those circumstances to suppress any leaked document that came his way.

However, if there is reasonable suspicion that the Government's delay in taking any action on the report is not due solely to considerations to be made by prosecuting authorities, the obligation to hold one's editorial hand drops away.

Premature publication of the inspectors' report may now have rendered any criminal proceedings nugatory.

If that be so, there can be no conceivable reason for delaying a moment longer the official publication of the whole of *the inspectors'* report.

Louis Blom-Cooper, chairman of the Press Council, is writing in a personal capacity.

Council warned on 'unfair' direct labour contracts

By Andrew Taylor, Construction Correspondent

THE GOVERNMENT has issued its first formal warning to a local authority under the 1988 Local Government Act, which prohibits councils from unfairly awarding contracts to its own direct labour organisations.

Wirral borough council in Cheshire has been told it may be prohibited from giving further contracts to its highways and building services department, which employs about 700 workers.

The Environment Department said it had received complaints from private contractors about 50 local authorities since the Act became law last summer.

In a letter to Wirral council, the department lists 21 contracts which it says appear to have been awarded unfairly. In some cases private contractors' tenders had been up to 20 per cent lower.

The letter warns the council that the Environment Secretary has the power to stop further contracts being awarded to the highways and building services department if he does not receive a satisfactory explanation within six weeks.

Another option would be a ceiling on the amount of work which could be carried out by the highways and building services department. The Environment Secretary could also require the council to provide details of any contracts awarded to the department when it was not the lowest bidder.

The total value of the 21 contracts listed by the Environment Department is £1.69m. It said a private contractor in one instance had bid £20,000 less than the council department's successful bid of a £112,670 for a contract to repair and paint local authority housing.

In another instance, a council department had bid £355,000 – £14,000 more than the lowest private contractor – for alterations and extensions to an adult training centre.

The department said all the 21 contracts were confirmed by the council after June 24 last year, when the Local Government Act became law.

Wirral, a hung council – with 29 Labour members, 23 Conservative, 10 Democrats and 4 independents – said in a letter to the Environment Department in September that it had reorganised its direct labour, which has made a loss in each of the last two financial years.

The council said improvements would take time to come through. In the meantime it would cost ratepayers more in redundancy payments if public works departments were closed than if the contracts in question had gone to the lowest private sector bidder.

Andriessen defends single EC market

By Robert Mauthner, Diplomatic Correspondent

MR FRANS Andriessen, the vice-president of the European Commission, yesterday launched a sharp counter-attack on critics who claimed that the completion of the European Community's internal market in 1992 would create new trade barriers.

Addressing a large audience of businessmen, bankers, local government officials and academics at a "national briefing" in London on Britain and Europe, Mr Andriessen said the internal market was not just a giant step towards liberalisation within the Community.

"It has put the Community in the front line of the battle against protectionism and discrimination in international trade," he said.

As the world's largest and most open trading partner, the Community had no choice but to pursue international liberalisation.

Mr Andriessen described those who accused the Community of building a Fortress Europe as given to "mediaeval nostalgia".

"This castle in the air is full of skeletons, which are the products of fevered imagination, rather than rational analysis," he said.

One of those skeletons was the principle of reciprocity. Yet reciprocity, in the Community's conception, meant a balance of mutual obligations and advantages entirely in keeping with the spirit of the General Agreement on Tariffs and Trade.

Reciprocity for the Community had never meant, as claimed by some critics, that identical concessions in each sector would be demanded from the EC's trading partners.

Mr Andriessen emphasised that from the very beginning, the Community's low external tariffs and commitment to Gatt disciplines had led the way to trade liberalisation. The EC was determined to ensure that its example in liberalising banking, insurance and securities would act as an incentive to its "more illiberal partners" to do likewise.

Sir Leon Brittan, the European Commissioner in charge of competition policy and financial services, warned that in spite of all its achievements, the Community was still a long way from its goal. There was a risk that if momentum was lost, a reaction might set in.

"We have picked the ripest and most accessible fruits. Some of the remaining obstacles to the genuinely free movement of people, goods, capital and services are going to be much harder to achieve."

Sir Leon stressed, in particular, the need for a clear and firm policy towards state aids, without which it was unthinkable that a system of free and undistorted competition could survive or a real internal market could be created.

There was a real danger that in the run-up to 1992, state aids, which totalled about £65bn or 3 per cent of the Community's GNP in 1986, could be used as an alternative to tariff barriers and other forms of protectionism.

That risk was all the greater since state aids would soon be the only remaining instrument of protectionism available to member states within the market.

Sir Leon said he therefore intended to make more active use of the Commission's powers to review such aids.

MPs launch black caucus in Parliament

By Joel Kibazo

A PARLIAMENTARY black caucus was launched yesterday by three of four black MPs and a black peer, to highlight issues and problems that face black people in the UK.

The three Labour MPs are Ms Diane Abbott (Hackney North and Stoke Newington), Mr Bernie Grant (Tottenham) and Mr Keith Vaz (Leicester East), all elected at the general election in 1987, and the Labour peer is Lord Pitt of Hampstead.

They will adopt a common position in parliamentary debates on issues such as education, unemployment, housing and immigration, problems they say are more acute among black people.

The caucus also intends to speak out on issues such as sanctions against South Africa, and the effect that theEuropean single market of 1992 will have on Third World countries, particularly those in the Caribbean which will lose privileged access toBritish markets.

All the caucus members were adamant they were not forming a similar group to the unofficial Black Sections group in the Labour Party.

Mr Vaz said: "What we are doing is no different to what Scottish and Welsh MPs do when they get together...

"Mr Kinnock's house has many rooms and we will continue to play a full part in policy discussions and in ensuring the election of a Labour Government."

The Labour leader's office was sceptical of the group achieving anything but took a relaxed attitude to it for the moment.

An absentee from the launch was the only other black MP, Mr Paul Boateng, who is visiting Namibia. He has indicated in the past that he saw no need for a separate parliamentary caucus for black MPs, and he believes he can work more effectively to promote black interests within existing parliamentary and Labour Party channels.

Mr Vaz said: "There is no significance in the fact that Paul is not a member. He is a valued colleague and we discuss many issues with him individually."

Privately, however, the group has indicated it would have preferred to have Mr Boateng on board at the start, and believes it is only a matter of time before he joins.

The group hopes to emulate the 24-strong, 18-year-old US Congressional Black Caucus which has put on to the political agenda issues affecting US blacks.

Mr Ron Dellums, chairman of that caucus, leading a US delegation to the UK launch, said the US caucus had faced initial difficulties but was now a major force.

Money supply rises by 6.6%

THE NARROW measure of the money supply, M0, rose by 6.6 per cent in the 12 months to February, the Bank of England confirmed yesterday.

Its final money supply figures also show that M0, which consists almost entirely of notes and coins and circulation fell by 0.6 per cent between January and February after adjustment for normal seasonal variations. Bank and building society lending rose by £4.7bn in February.

Capital concern over the right road ahead

Kevin Brown on the criticism of the Transport Department's London traffic studies

LOCAL authorities and environmental groups in London are becoming increasingly concerned at the progress of a large number of studies of transport difficulties being carried out for the Transport Department.

The situation is regarded as sufficiently serious to warrant joint action by the normally hostile Conservative-controlled London Boroughs Association and the Labour-run Association of London Authorities.

Transport experts from both organisations will suspend their differences today to try to find common ground for a campaign to persuade ministers to scrap or reorganise the study programme.

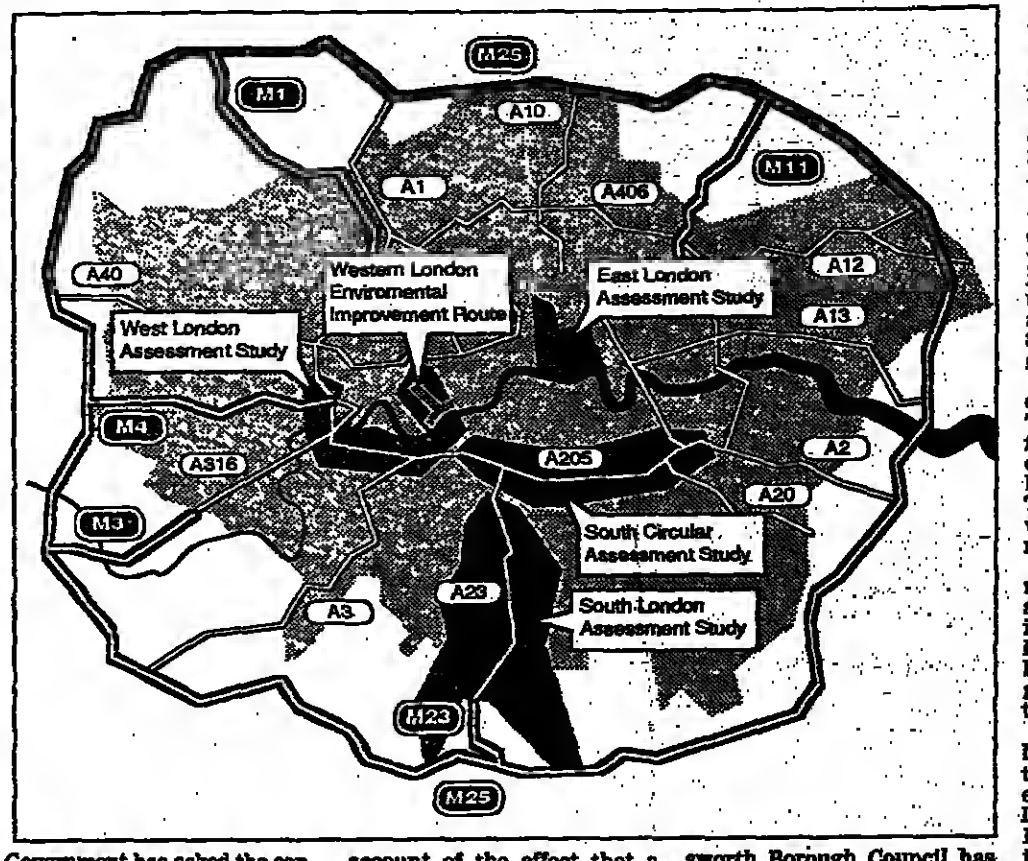
Mr Nick Lester, the ALA's planning and transport officer, says there are about 30 studies going on in various parts of London, none of which seems to be related to the others.

Some of the studies are concerned with relatively small-scale problem areas such as Purley town centre and the Coulsden relief road. But the main causes of worry are four large-scale assessment studies into south London, west London, east London and the South Circular Road; and two rail studies on central and east London.

In addition, a plan from the department for a major road scheme, dubbed the Western Environmental Improvement Route, has provoked a great deal of hostility in west London.

The four assessment studies are being carried out by different teams of consultants, each of which has produced two reports – one identifying problems, and the other proposing options for solutions. Final reports including detailed options for action are expected in the summer.

The Central London Rail Study, which reported in January, recommended a £3.5bn improvement programme, including new east-west and north-south rail lines. The report was accepted by Mr Paul Channon, the Transport Secretary, but no action will be taken until the East London Rail Study is published in the summer.



"The problem is that the Government has asked the consultants to carry out the wrong studies. They are being done on a piecemeal basis, they don't interlock properly, and they don't take account of what is happening in other parts of London," Mr Lester says.

"They were initially set up as road corridor studies, and it was only following quite substantial objections from local authorities that they were extended to cover all transport modes."

The ALA says the studies are inhibited from finding long-term solutions to traffic difficulties by the requirement that they address only issues which specifically affect the study areas, and that they should not propose solutions which would have revenue implications for public transport.

This means, for example, that they are unable to take account of the effect that a traffic ban in central London might have on through traffic; or to propose a change in bus and Underground fares which might reduce the use of private cars.

The ALA fears the effect of all this will be to push the consultants towards attempting to solve traffic problems by building major new roads, which would be vigorously opposed by residents in most areas.

Mr Lester says: "That could make the environment worse without improving accessibility or London's economy, and that seems to me to be a waste of money."

The solution the ALA would most like is a strategic transport authority that could take a London-wide view of traffic difficulties, along the lines of other capital cities.

This view is not confined to Labour local authorities. Conservative-controlled Wandsworth Borough Council has not yet taken a formal decision on the issue, but Mr Peter Newman, the acting borough engineer, says the authority is "moving in that direction."

He says: "The Wandsworth view is that there is a lot of disjointedness within the present set-up, and we are heading towards the view that one authority to pick up all these issues would be a good idea."

The Transport Department view, frequently put by Mr Peter Bottomley, the minister responsible for roads, is that there is no place for a grand strategic plan in London, and that action to relieve problems is needed more quickly than a strategic plan could produce.

Both the department and the consultants carrying out the surveys say that they do liaise with one another, and that the studies are not being carried out in a vacuum.

However, evidence of the difficulties that can be caused by piecemeal planning is emerging in south London, where British Rail's plans to run freight trains to the Channel tunnel along the suburban South London line may impinge on options for relieving the South Circular.

Travers Morgan, the consultants carrying out the South Circular Assessment Study, produced nine options for improvements in their stage two report, of which six envisaged increased use of the South London line for passenger services.

Mr John Stewart, joint co-ordinator of Lambeth Public Transport, a pressure group funded by the Lambeth Borough Council, claims to have been been told privately by Travers Morgan that the line would figure even more prominently in its final proposals.

"They have said the main need is for a rail link across south London. They are arguing that an extended South London line is a key feature because it links key areas of growth such as Clapham, Brixton and Lewisham," he says.

Mr Stewart also says he has been told by Travers Morgan that the firm will propose extensions to the Metropolitan Line, Northern Line and Docklands Light Railway to form an integrated rail network for south and east London.

These claims are played down by Mr Bob Riddett, Travers Morgan's project director, who says no final decisions on options have been made.

He says: "We are aware of these proposals and we shall have to check to see whether they are compatible. They are not necessarily incompatible, but we have to look at the details. We would then have to decide what to do, if anything; whether to drop these options or continue with them."

That is not how it appears in Lambeth. "When we asked them about the Channel tunnel they said freight running on the South London line could scupper the entire solution," says Mr Stewart.

"We think that if they cannot upgrade services on the South London line then it will make major road building in the area much more likely."

Gorbachev to meet leading industrialists

By Ralph Atkins, Economics Staff

THIRTY leading industrialists are to meet President Mikhail Gorbachev during his UK tour next week in an attempt to boost trade with the Soviet Union.

Prominent businessmen expected to attend include Lord King of British Airways, Mr Robert Maxwell of Maxwell Communication Corporation, Sir Ralph Halpern of the Burton Group and Sir Trevor Holdsworth, president of the Confederation of British Industry.

The hour-long meeting on Thursday evening at Lancaster House, London, has been organised by the Department of Trade and Industry and the CBI. It will be chaired by Lord Young, Trade and Industry Secretary, with the aim of promoting existing and new commercial links between the UK and Soviet Union.

UK exports to the Soviet Union are small in comparison with trade to other countries and are comfortably exceeded by imports. In 1988, UK exports reached £512m, slightly higher than the year before, while imports from the Soviet Union dipped to £732m.

UK exports are dominated by chemicals and electrical and industrial machinery as well as textiles, steel and professional, scientific and control instruments. More than 40 per cent of imports consist of petroleum and petroleum products. The UK also imports timber and vehicles.

The meeting will form part of Mr Gorbachev's three-day visit to the UK which starts on Wednesday. In February, Mr Vladimir Kamentsev, deputy chairman of the Soviet council of ministers, met industrialists at the CBI's headquarters in London. The Soviet delegation then included ministers for the chemical and timber industries.

Other company chairman and chief executives expected to attend Thursday's meeting include representatives of Trusthouse Forte, Imperial Chemical Industries, Allied-Lyons, Taylor Woodrow, Rank Xerox, Rolls Royce, Cable and Wireless, Glaxo, British Petroleum and Midland Bank.

Fees rise confirmed by SIB

By Richard Waters

THE SECURITIES and Investments Board yesterday confirmed sharp increases in its fees for the coming year, in part caused by underestimating the costs of regulation in its financial year which ended yesterday.

SIB is collecting £17.4m from the City's self-regulating organisations, recognised professional bodies and others, compared with about £10m last year. This is to meet expected costs of £13.3m in 1989-90 and deficits built up in the previous two years. SIB's costs last year were £11.8m.

The Life Assurance and Unit Trust Regulatory Organisation is paying the largest share, amounting to £2.8m. The increase in its fees, from £1.3m last year, is due in large part to a reallocation between it and the Financial Intermediaries Managers and Brokers Regulatory Association.

Mr Malcolm Reed, Lautro chief executive, said that this was a one-off switch that should be reversed next year.

Mr Roger Purcell, director of SIB's finance division, said the main cause of last year's deficit of about £2m was a failure to predict the costs of enforcing the Financial Services Act, which came into force nearly a year ago.

Legal and other professional expenses of £1.5m, caused by cases such as Barlow Clowes, had not been predicted when SIB drew up its budgets for the year.

SIB is anticipating similar enforcement costs in the coming year, but Mr Purcell said: "Having got the figure wrong the first time, I would hate to say what it is going to be next year. There is no way of telling how many problem cases there are going to be."

Of the other regulatory bodies, Fimbra is paying £1.65m, the Association of Futures Brokers and Dealers £1.32m, the Investment Management Regulatory Organisation £1m and The Securities Association £2.3m.

Recognised professional bodies will pay £2.3m, with the rest coming from firms directly authorised by SIB and from collective investment schemes. The fee increases are largely the same as those suggested in a SIB consultative document published at the end of last year.

- At the same time, SIB announced simplifications to the way contributions to its compensation scheme are calculated. This would have no effect on the compensation available to investors, but would reduce the compliance costs of the system, it said.

CEGB puts case for N-power investment

By Maurice Samuelson

LORD MARSHALL, Central Electricity Generating Board chairman, yesterday sought to reassure future investors in nuclear power stations.

He said financial arrangements were being agreed with the Government to cover uncertainties about the cost of decommissioning the stations once the electricity industry was in private hands.

Lord Marshall, chairman-designate of National Power, was speaking at Berkeley power station, Gloucestershire, at a ceremony initiating its 100-year decommissioning programme.

National Power will inherit all the CEGB's nuclear stations after privatisation.

Berkeley is Britain's oldest nuclear station – it has been producing electricity for 27 years – and is also the first in this country to be closed down. The CEGB says this is for economic rather than safety reasons.

Lord Marshall, after pressing a switch to start the decommissioning, said he believed adequate financial provisions had been made.

National Power intended to ensure that, in the transfer from the public to the private sector, investors in National Power "would get a fair deal and be protected from any unforeseen increase in costs."

The decommissioning proposals have three stages:

- Removing all remaining fuel and reprocessing it at Sellafield, over five years.
- Removing, over five to seven years, all plant and buildings except boilers, pressure vessels and the biological shield. Boilers would be laid in concrete vaults between the two reactors.
- Removing reactors, boilers and biological shields and returning the land to a greenfield site – after waiting up to 100 years.

Waiting up to 100 years is necessary because radiation levels inside the reactors would take that long to reduce by a factor of 100,000.

The parts could be removed earlier with the use of remote-controlled equipment but if removal were left for 100 years, work could be done by workers inside the reactors, in a routine fashion.

Call for gas users' charter

By Maurice Samuelson

MR ROBERT Evans, who is to succeed Sir Denis Rooke as chairman of British Gas in June, was challenged yesterday to turn over a new leaf in the industry's sometimes patchy relations with its customers.

Mr James McKinnon, director of Ofgas, the industry's regulatory body, said British Gas should consider offering a Customer's Charter, so that consumers all over the country expect similar levels of service.

He issued the call three days after Sir Denis announced his forthcoming retirement to be succeeded by Mr Evans, the corporation's chief executive.

Addressing the Consumer Congress in Swansea, Mr McKinnon said British Gas should, as a first step:

- Issue a clear offer of service to all its customers in the tariff market.
- Determine performance measures in regard to that offer and create targets for its operational managements throughout the country.
- Collect data of actual performance attained against the targets set and publish the results.

Shell raises petrol price

By Maurice Samuelson

SHELL UK, Britain's biggest petrol distributor, is to follow Texaco in raising the price of its four star brand by 6.8 pence to 187.8p a gallon.

It also said it may consider a further increase, taking its price above 190p.

Mr John Bamberg, director and general manager of Shell UK's oil retail marketing division, said yesterday an increase of 9p or 10p was necessary "just to make a modest return on investment".

The 6.8p increase is the same as that introduced on Thursday night by Texaco.

British Petroleum is also considering an increase, but has delayed the decision until it can be sure its new price will not need to be changed too quickly.

Opticians set sights on longer-term profits

Maggie Urry explains why the ending of free tests may only be a temporary setback

OPTICIANS were working late into the night yesterday in advance of the ending of "free" sight tests on the National Health Service. From today, 60 per cent of people will no longer be eligible for free tests.

Some branches of Dollond & Aitchison, the UK's largest optician chain with 640 outlets, were open until nearly midnight testing as many people's eyes as possible before charges were imposed. Branches were open over the Easter holiday and have been opening on Sundays and early in the morning and late in the evening on weekdays.

Indeed all opticians have enjoyed a rush of customers anxious to have a sight test before the deadline. Most opticians are planning to charge something over £10 for a test. The NHS fee paid to opticians for those still eligible will be £10.40, up from £9.75 for the previous year, and this provides a benchmark for opticians' charges.

Boots, the retail chemist group which owns the country's second largest chain of opticians, with 258 branches, reports the business has been "very profitable" over the past year because of the rush.

However it expects a slackening of activity in the current year.

LEADING UK OPTICIANS

Company	Turnover	Pre-tax profit
Dollond & Aitchison group*	£94.5m	£6.7m
Boots Opticians	£39.8m	£3.0m
Miller & Santhouse	£13.0m	£1.5m
Rayne & Keeler	£10.0m	£2.2m
Batemans	£9.5m	£258,000
Melson Wingate	£7.9m	£394,000
Pearle Vision*	£7.6m	(£213,000)
Specialeyes	£6.5m	£528,000
For Eyes*	£5.7m	(£156,000)
First Sight*	£3.8m	(£370,000)

*part of Gallaher Ltd
Figures are for latest available financial year. Brackets indicate losses
Source: Retail Rankings 1989 (including some estimates by Corporate Intelligence Group)

There is a worry among opticians that people who need glasses, or who have serious diseases, such as diabetes which are commonly picked up through eye tests, will be put off by the new charges. The boom in the number of eye tests before today's deadline suggests that people are likely to be deterred, for a while at least.

Mr Ian Hunter, general secretary of the Association of Optometrists, points out that a million people a year are referred to their doctors by opticians because a disease, which can be painless, has been spotted during an eye test. Over 12.5m eye tests are carried out each year.

There is also some concern that smaller chains or individual shops could suffer if people are deterred by the charge and a fall off in trade lasts for long. Opticians' shops have overheads which are too high – both in expensive equipment and highly trained staff – to allow them to be idle for long.

However, most opticians are confident that the longer term outlook is for further growth in the £400m-plus a year market. Over the last few years a series of changes have been made to the system for dispensing spectacles and contact lenses, and the way opticians can advertise themselves. The abolition of free tests could mark the end of the image of glasses as being ugly, state-provided necessities and allow the optical market to expand.

Mr Brian Keefe, managing director of Dollond & Aitchison's professional services, argues that the NHS system has prevented the market developing naturally. Under the old NHS system people were allowed only one pair of frames at a time, which were often unflattering. If an eye test showed no change to the prescription, people had to make do with the same glasses for longer.

As a result, most spectacle wearers in the UK have only one pair, whereas in continental Europe and in the US, people often have three or even more pairs.

Many opticians are now attacking the market in a more dynamic way. Dollond & Aitchison has split its branches into a number of differently-named chains, aiming at different segments of the market offering younger, fashionable styles, up-market spectacles, or more staid, value-for-money types.

Specialeyes, a smaller, but fast growing, chain of opticians has opened concessions inside BhS shops and Allders department stores. Miller & Santhouse, a Liverpool-based group, has doubled in size over the last 15 months.

Increasingly, chains of opticians are likely to expand their market share at the expense of independents, a trend which has developed in virtually every other retail sector.

Competition between opticians has helped to keep prices of glasses low – the average pair of privately-bought spectacles has risen in price from £56.39p in 1983 to £58.14p in 1987, with prices practically static over the last two years, except for the imposition of VAT in September 1988.

New competition will come from ready-made reading glasses which will go on sale today. These are simply magnifying lenses.

Some are being offered at a price of £2.99p but most are in the £12.95p to £76.95p range.

Boots and Dollond & Aitchison, among others, will sell these glasses, Boots on the healthcare counters of its chemist shops not through its opticians. But they do not expect them to take a market share of more than a few per cent.

Opticians warn that they are no substitute for properly dispensed spectacles for people who need glasses. As one put it: "They are only suitable for people with both eyes the same. If others wear them they will get thumping headaches."

Financial services 'heading for squeeze'

By Nick Bunker

A MIX of massive over-capacity, soaring staff costs and intense "me-too" competition means the entire retail financial services sector is heading for a severe profits squeeze, says a report from PA Consulting Group, management consultants.

The implications are worst for institutions reliant on the housing market such as life assurance companies, building societies, estate agencies and clearing banks, it says.

Its author, Dr John Ginarlis, says: "The chips are down as financial companies fight for market share on price or expensive service in a declining market."

It says the sector's problems were hidden in 1987-88 by booming sales because of the strong housing market – 4m dwellings changed hands, producing 3.5m mortgage loans worth £140bn, £4bn in estate-agency fees and 3m mortgage-related endowment life assurances worth £4bn in premiums.

It says the weakening of the housing market in the past nine months could be structural rather than a temporary response to higher interest rates, threatening the long-term profitability of financial institutions which depend on it for sales growth.

Demographic changes, especially a peak in 25-year-olds this year, could halve the household-formation rate. The report sees cumulatively severe problems for mortgage lenders and credit insurers, arrears rising because consumers have taken on high debts.

Serious threats to the sector are cited to be financial institutions' over-commitment of capital, "me-tooism" and the price war of lending institutions.

It says the very profitability of the UK financial services scene drew a rash of new capital, singling out clearing banks raising £12bn capital since 1984, building societies issuing £3bn of subordinated debt in 1987-88, and Prudential Corporation's £300m spending on building a UK estate agency.

It says: "We are faced with an increasing problem of a mass of financial company capacity looking for adequate returns." It argues that this has caused frantic copy-cat rivalry such as the rush into estate agency and escalation of publicity spending. "As everyone copies them so they can rapidly become a zero-sum game" where everybody loses money. The 60-page report will circulate privately next week among PA clients.

Institutions show renewed interest in equity market

By Simon Holberton, Economics Staff

THE COMBINED nat investment of UK pension funds and insurance companies was £23.7bn in 1988, according to figures published yesterday by the Department of Trade and Industry.

The figures indicate that big investors returned to the UK equity market in the last three months of 1988.

Total investment in equities was twice that of the third quarter, with pension funds investing nearly £2bn and long-term insurance funds nearly £500m.

Pension funds were also active in foreign markets. They invested nearly £1.5bn in foreign equities during the fourth quarter and £178m in foreign bonds.

However, the figures also underline the degree of caution followed by many investment managers and suggest that UK investment institutions have yet to get over the shock they suffered in October 1987 when share prices fell sharply around the world.

Their levels of cash holdings, which rose sharply at the end of 1987 in response to the crash, have remained high. At the end of 1988 the stock of these holdings had risen by £4.6bn to £22.3bn.

The figures confirm what many in UK financial markets have guessed about the behaviour of investors towards UK government securities: most classes of big investor were large net sellers of gilts. Pension funds sold a net £1bn of gilts during 1988 while long-term insurance funds sold nearly £500m.

Gilts sales accelerated during the year, however. In the first half, pension funds were net purchasers of gilts to the value of £1.26bn; in the second half, they sold a net £2.27bn of gilts.

The figures indicate, however, that investor interest in other forms of fixed interest debt has picked up. Both pension funds and insurance companies were steady investors in UK company debentures and Eurosterling issues.

The big investment institutions also commited funds to the property market. They commited £1.65bn to UK land and property last year against £983m in 1987.

NET INVESTMENT BY INSURANCE COMPANIES AND PENSION FUNDS (£bn)

	Total	Long-term insurance funds	Other insurance funds	Pension funds (self-administered)
1985	19.5	8.4	1.0	10.1
1986	23.1	10.0	3.0	10.1
1987	22.5	11.1	2.2	9.2
1988	23.7	11.8	3.8	9.0
1987				
1st qtr	5.5	2.7	0.4	2.4
2nd	5.8	2.6	0.8	2.4
3rd	6.3	3.4	0.6	2.3
4th	5.0	2.5	0.4	2.1
1988				
1st qtr	5.6	3.3	0.4	1.9
2nd	5.9	2.5	0.8	2.6
3rd	6.0	2.3	1.4	2.3
4th	6.3	3.8	0.5	2.2

Figures have been rounded

Greens confident of Euro poll seats win

By John Hunt, *Environment Correspondent*

THE BRITISH Green Party met in London yesterday for its spring conference confident it will win seats in the European Parliament when elections are held in June.

Ms Sara Parkin, party international secretary and European Greens co-secretary, told the conference she and the party's election agent, Mr Chris Rose, were wildly optimistic about the outcome.

In the Euro elections five years ago the party fielded only 17 candidates. This time it is contesting all 78 British seats. The campaign will cost the party about £250,000, including £78,000 in deposits.

There are nine Green Party MEPs in the European Parliament, seven from West Germany and two from Belgium. Ms Parkin said this would rise to 15 through the voting in June.

The British party is basing its optimism on its improved showing in local council by-elections where in one case, its share of the vote rose to 34 per cent. It is also pinning its hopes on the increased public awareness of environmental issues in recent months.

The UK Greens have increased their membership to more than 10,000, a rise of 28 per cent, since Mrs Margaret Thatcher's speech on the environment to the Royal Society last year. Yesterday's conference was the party's largest.

Ms Parkin said opinion polls showed that well over 75 per cent of British people listed environmental pollution as one of their top concerns. They needed to be convinced that other parties' apparent commitment was not enough.

"Why should they not vote for what they really believe in and care about and give the Greens a go?" she asked.

Euro constituencies being targeted by the Green Party are Devon; Somerset and Dorset West, Sussex West and Sussex East, London South, London North-east, Surrey East, Hereford and Worcester.

New safeguards for park land in Water Bill

By John Mason

NEW safeguards to protect National Park land after privatisation of the water industry were announced yesterday by Mr Nicholas Ridley, the Environment Secretary.

A new clause in the Water Bill will require water companies to notify the park authorities of proposals significantly affecting landscape, conservation or land management. The views of the park authorities would then have to be considered.

Mr Ridley said this "special framework for consultation" was based upon existing informal arrangements between park and water authorities.

However, it will not alter the basic principle in the bill that normal planning procedures will provide the overall framework for any development.

The concession was dismissed as "wholly inadequate" by Mrs Anne Taylor, a Labour Environment spokesman. She said park authorities should be given the right to block damaging developments, not just the opportunity to give an opinion.

BMA starts campaign against NHS plans

By Alan Pike, Social Affairs Correspondent

THE BRITISH Medical Association yesterday launched a campaign to take its opposition to the Government's health reforms into every doctor's surgery in the country.

Next week, posters and leaflets aimed at patients will begin appearing in general practitioners' surgeries. The BMA has ordered an initial 11m leaflets, and will send supplies to all 32,000 GPs in the UK.

The leaflets carry the slogans "An SOS for the NHS" and "The National Health Service urgently needs your help."

Patients are being urged by the BMA to write to their MPs, expressing opposition to the Government's plans and asking for them to be reconsidered. "Your doctor is already taking action. For the first time your doctor is asking you if you will join in and help," says the leaflet.

Dr Michael Wilson, chairman of the BMA's general medical services committee, said yesterday: "We are giving information to patients. We are informing them of the concerns that we feel about the NHS. We believe that many patients will share our concerns. We feel we have a duty to make our concerns known to patients because it is their health care which will be affected."

The BMA leaflets include claims that the Government is:

- ● threatening to force doctors to limit the costs of the medicines they can provide;
- ● trying to make doctors take on even more patients so that there would be less time for individual consultations;
- ● putting at risk the range of services provided in NHS hospitals by its proposals for self-governing hospitals;
- ● making GPs send patients for hospital treatment where it costs the least.

"Overall the Government's plans could pull apart the structure of the NHS and patients may find that the care and help they need are no longer there in their community," says the leaflet. "Your doctor wants to stop this happening – will you help?"

The BMA has substantial financial reserves, and national newspaper and television advertising is being considered. Many doctors believe that if enough pressure is put by patients on Conservative backbenchers, the Government may have to modify its plans.

Angry Scots chorus greets poll tax

James Buxton sums up feelings as the old rates system disappears

TODAY, against an angry chorus of demonstrations and protest rock concerts, the community charge comes into force in Scotland, sweeping away the system of domestic rates that has been in operation for a century. The new flat-rate tax has few overt friends among a sullen population, resentful at being guinea pigs for a measure which comes into force in England and Wales next year.

In the past few days 3.7m Scots should have received a demand for their community charge for the coming year. Edinburgh people are being asked to pay the highest – £392 a head. The level in Glasgow is £306. Orkney residents pay the least – £148.

The fact that the bills have gone out at all is an achievement for a complex bureaucratic operation reluctantly engaged in, but efficiently carried out by, the registration staffs of the regional councils. About 98.8 per cent of those eligible have registered for the community charge, but the "rolling registers" will have to be updated constantly to keep track of people who move.

The community charge officials are still dealing with the hundreds of thousands of requests for rebates to which nearly a third of poll tax payers may be entitled. However the rebates have not all been granted, because the regulations on exemptions and rebates have been changing almost up to the last moment.

Ironically, for a levy aimed partly at trimming local authorities' spending, the poll tax is costing considerably more to administer than domestic rates – a fact which the Government says is justified as the price of a fairer system. Whereas the old rating system (including business rates) cost about £28m a year, the Government believes the new system will cost £44m. In addition, it has given local authorities £26m for extra capital spending on computers. Local authorities have taken on 2,000 extra staff.

The extra expense is not surprising because of the scale of the impost. The 3.7m community charge payers (out of a population of 5m) compare with 2m domestic rate payers. Of those, nearly half were council tenants who paid their rates as part of their rent.

Now, instead of 1.2m owner occupiers paying rates in 10 instalments a year, 3.7m people are paying the poll tax in at least 12 instalments (and some will pay weekly). The banks are bracing themselves for at least a fourfold increase in transactions.

Council tenants, who probably were unaware of rates, will be prominent among the losers, especially if they have several adults under their roof. Crofters in the Highlands who previously enjoyed 50 per cent derating have had that privilege swept away.

But calculating poll tax winners and losers is complicated by the question of rebates which can cover as much as 80 per cent of the charge – with the remaining 20 per cent available from income support.

Many single parents and elderly people living alone should gain under the poll tax, and glaring winners are people with young families living in large, once highly rated houses. The average two-adult family is unlikely to gain – for them in Edinburgh an average rates bill of £610 will be replaced by poll tax bills of £784. Families with second homes will pay a "standard" community charge on it – usually equivalent to two adults' community charges. Students will pay 20 per cent.

Farmers and landowners who have up to now paid the rates of their employees living in tied cottages, face serious problems that the Government has done little to resolve. While the farmer should personally benefit from the abolition of his rates, he could lose if he pays his employees' community charge bills – while the employee faces income tax on this benefit.

To the Government's intense chagrin poll tax levels are considerably higher than it had hoped. To ease the arrival of the new charge, the Government boosted revenue support grant for the coming year by almost 10 per cent, and also used so-called "safety-netting" powers to redistribute the burden of the charge and so help places in the economically fragile Strathclyde region at the expense of other parts of Scotland.

Mr Malcolm Rifkind, the Scottish Secretary, then tried to pre-empt the councils by publishing the figures he said they should charge if they were to hold down spending in real terms. They averaged £267.

But most local authorities angrily dismissed the Government's calculations and set considerably higher levels of poll tax – in Edinburgh residents are paying £79 more than the Government said was necessary and the Scottish average is now £301.

There are dark suspicions that Scotland's predominantly Labour-controlled local authorities want to make the poll tax unpopular even with those Conservatives whom the Government might have hoped to benefit.

It was in 1986 that the Government was inspired to introduce the tax after a revolt in Scotland by high rate payers against the vast rate increases which followed a revaluation. They later extended the idea south of the border.

Mr Douglas Mason, a researcher for the Adam Smith Institute, who that year unveiled the idea of a capitation tax in a 47-page booklet, to see it taken up almost in its entirety, calmly watches what is going on from his home in Fife.

"It was inevitably going to be unpopular," he says unrepentantly, "since two-thirds of the people paying the community charge never paid anything before. But in coming years people will realise that some councils, such as Lothian, are grossly overspending and will react accordingly."

He says councils have "always used changes in financial arrangements to increase spending and hope that the unpopularity will pass on to the Government." The extra cost of the poll tax is "peanuts against the £4.5bn which local authorities spend each year, and lower than might be expected considering you are collecting it from three times as many people".

But with even some Conservatives considering the poll tax immoral since it usually favours rich rather than poor, hardly anyone expects it to help the Government's popularity in Scotland (the Tories stand at around 20 per cent in the opinion polls). Those who gain from it are unlikely to shout about it – a fact that annoys Conservative leaders who point out that it was their supporters who called for the abolition of domestic rates in the first place.

But only the Scottish National Party and a few fringe organisations are campaigning for non-payment: the Labour Party, after tortured debate, officially disapproves of this idea. The SNP still hopes to enrol at least 100,000 people to pledge not to pay the poll tax over the coming year, in the hope of making the tax uncollectable. He calls the campaign a guerrilla war which he hopes "will bring to a head all the pent-up frustration of Scotland with a government it never voted for".

Non-payment is a civil not a criminal offence: councils can easily obtain court orders to deduct the charge from wages. "Non-payment will collapse," says Mr Mason. "People are generally law-abiding. Anyway it's hardly a great protest when you know the local authority will come along and collect the money from you."

COMMUNITY CHARGE IN SCOTLAND

District	Charge payable	Government's estimate	% increase
Edinburgh	392	313	20
Dundee	324	274	15
Glasgow	306	293	4
Aberdeen	304	201	34
Argyll & Bute	277	293	−6
Inverness	228	189	16
Western Isles	171	126	26
Orkney	148	84	43

The table shows a sample of community charge levels (first column). The second column shows what the Scottish Office said the community charge level ought to be if councils did not increase their expenditure in real terms. The third column shows the percentage by which councils have exceeded or undershot the target.

Devolution supporters criticised

By James Buxton, *Scottish Correspondent*

PEOPLE WHO want a Scottish assembly have not thought out how it would work, or produced any practical policies for it to implement, a Scottish Office minister said last night.

Mr Michael Forsyth, the Scottish Education and Health Minister, accused supporters of a Scottish assembly of saying it would be "the answer to every problem, large or small, from encouraging economic development to dealing with damp-ridden council houses."

But life was not like that, he said. Mr Neil Kinnock, the Labour leader, had said many years ago that devolution would not build a single home or hospital or create a single job. It might well destroy jobs through higher taxes and more rules and regulations.

For years, Mr Forsyth said, speaking to Conservatives in his Stirling constituency, "no one on the left has put forward any practical policies, any proposals or suggestions of the kind of actions they would take if they were in power."

They had still not faced up to the fundamental problems of devolution, he said.

"How many fewer Scottish MPs would we have at Westmininster? At present we have more than the population really justifies. With a Scottish assembly they would not be able to vote on Scottish matters and could hardly expect to vote on English matters.

"Who would form a government if, however unlikely it may now seem, Labour had a small majority and was dependent on its Scottish support for it? How would they govern?"

Three general elections since the war would have produced just such a situation.

Only Conservatives and the Scottish National Party were prepared to face the fundamental question of whether Scotland was to be part of the UK or not, he said.

The refusal of the supporters of devolution to face the question "dooms themselves *and their efforts to futility and* failure."

Blow for TGWU as seamen opt to merge with NUR

By Charles Leadbeater, Labour Editor

THE TRANSPORT and General Workers Union's hopes of strengthening its position through union mergers received a significant setback yesterday when the NUS, seamen's union announced its members had voted in favour of an amalgamation with the 115,000 strong National Union of Railwaymen instead.

The TGWU's leaders regarded the merger as a vital part of a strategy to maintain the union's position in the transport industries, which provide the core of its membership.

TGWU leaders fear that a merger between the NUS and the NUR could in the long run *lead to the creation* of *an alter*native transport union which could challenge the TGWU.

Although there have been a spate of union mergers in the past couple of years the TGWU, Britain's largest union, has made relatively little headway in talks with other unions. It had hoped that an NUS decision to merge with it would encourage other unions to follow a similar route.

The National Union of Mineworkers is the only other union the TGWU is holding talks with on a possible merger. It is expected that the TGWU's right wing will use the plan to merge with the NUM to attack the TGWU's broad left leadership.

The NUS postal ballot of its 16,100 paying members, conducted over the last three months, drew a 45 per cent turn out.

Of those voting, 4,901 supported plans for an amalgamation with another union, while 2,472 voted to retain the NUS' independence. On the question of which union to merge with about 4,636 voted in favour of the NUR and 3,268 for the TGWU.

It is thought that the lack of support TGWU dockers in Southampton and Dover gave to recent NUS disputes in *those port was a significant* factor in the ballot. The NUS has been under considerable financial pressure from the cost of the recent Dover seafarers dispute and a continual decline in membership over the last decade.

A small negotiating team will draw up a detailed merger plan with the NUR to present to a special meeting of the NUS executive late this month.

However, both the NUR and the TGWU said they hoped to establish closer working relations, short of a merger or the creation of a federation, in the wake of the ballot.

Dispute at Nalgo tests TUC authority

By Our Labour Editor

THE TUC's ability to enforce rulings over inter-union recruitment disputes is likely to be severely tested within the next few weeks by a decision of a TGWU branch which seems designed to circumvent the TUC's procedures.

The row between the TGWU, general workers union and Apex, the white collar section of the GMB, general union, concerns 131 people employed by Nalgo the local government union.

The TGWU branch representing the staff, which has consistently opposed a TUC instruction to hand back the members to Apex, this week voted to accept the ruling.

But it is understood the disputed 131 members are to be encouraged to form an informal staff association rather than to rejoin Apex. It is thought that if the staff association exists for at least a year, then, under TUC's rules, the instruction to return the members to Apex would simply expire.

It seems unlikely that Apex will accept the plan as an adequate implementation of the TUC's ruling on the issue. It also comes at a sensitive time for the TGWU which has taken a complaint to the TUC that Balpa, the airline officers' union, has helped to create Cabin Crew '89, a new union for British Airways's cabin crew staff, which is in direct competition with the TGWU and has recruited some of its members. The TGWU argues that Cabin Crew '89 has been set up as a "holding-union" pending a merger with Balpa.

BBC unions say strikes seem increasingly likely

By Charles Leadbeater, Labour Editor

UNION LEADERS at the British Broadcasting Corporation yesterday warned that industrial action over their 1989 pay claim seemed increasingly likely, after they rejected a 6.5 per cent pay offer to the corporation's 27,500 staff.

Officials of both Beta, the broadcasting union, and the National Union of Journalists warned that it would be very difficult to reach an agreement with the corporation without industrial action. Members of both unions have voted heavily in favour of industrial action in support of their 16 per cent pay claim.

The two sides will meet for further talks on April 11th. Beta hopes to put the corporation's final offer to its annual delegate conference in Brighton on April 18th. The NUJ will hold a special conference of BBC union officials in Brighton on the same day.

Both unions have a mandate to call 24 hour strikes if the corporation does not make a satisfactory offer. In addition staff have voted to stage an indefinite strike if staff taking limited industrial action are suspended. The industrial action could affect regional television centres as well as *current affairs programmes.*

The claim is on behalf of all BBC staff including journalists, technicians, electricians, and clerical, cleaning and catering staff.

The BBC said the offer was the most it could afford given the Government's decision to link increases in the television license fee, the corporation's main source of income, to the inflation rate.

In addition to the 6.5 per cent offer, the corporation said it would increase the London Weighting allowance by £350 a year to £1,850, and restructure the lowest clerical pay grades.

The unions want a 16 per cent increase to close the gap which has opened between pay in the public sector and the corporation's wage rates. The unions say public sector pay rose by 99 per cent between 1980 and 1988, compared with a 66 per cent rise at the BBC. They say staff have gained relatively little from a programme of staff cuts and more flexible working practices.

Teacher training reform urged

By David Thomas, Education Correspondent

A FUNDAMENTAL reform of teacher training must be at the heart of a package of measures to tackle the linked problems of teacher shortages and teacher quality, a pamphlet from Cambridge University's Department of Education argues.

The pamphlet is the first in a new series of Cambridge Education Papers. Its authors include Mr David Hargreaves, professor of education at Cambridge. They argue that recent projections from the Department of Education and Science of teacher shortages in the mid-1990s are highly optimistic, not least because the proposed system of student loans will put even more students off the relatively poorly paid profession of teaching.

The pamphlet argues that modest salary increases for all teachers above the rate of inflation should be combined with more extensive use of *incentive allowances* for teachers in shortage subjects, in difficult areas or of outstanding ability. This would include creating incentive allowances worth up to about £8,000, around double the present maximum.

The authors' most radical proposals centre on a reform of teacher training, which the pamphlet argues needs to be much more flexible.

"Teachers require better initial training, better induction in the schools where they take up their first post (and) better opportunities to acquire new classroom and managerial skills," the authors write.

They propose a reduction in the academic content of training for students destined to teach younger children combined with more rigorous policing of teaching standards in the schools.

Teacher Supply and Teacher Quality: Solving the Coming Crisis. Department of Education, Cambridge University, 17 Trumpington St, Cambridge CB2 1QA. £2.

AEU survey finds most members are homeowners

By Michael Smith, Labour Staff

A SURVEY of members of the AEU engineering union in the Midlands has revealed that more than three-quarters of respondents live in their own property.

The surprisingly high proportion has considerable implications for pay bargaining. In view of recent increases in mortgage repayment levels, it helps to explain why employers such as Jaguar and Peugeot-Talbot have had difficulty in gaining acceptance of their pay offers from their Midlands workforces.

The AEU's survey of east Midlands members shows that 28 per cent own their homes outright and 48 per cent are buying their homes through mortgages.

The combined 76 per cent compares with about 65 per cent for the UK as a whole and less than 70 per cent for the east Midlands.

Trent Surveys, which conducted the survey, warns that home-owners were more likely to have had time to reply to the postal questionnaire than others because they are more settled in their social and geographic surroundings.

None the less it says the figures "represent a remarkable extension of the ideal of a property owning democracy into the AEU membership."

The report, which is being considered by the union's national committee for its implications on representation and services, also shows that membership in the east Midlands appears to be largely middle-aged. Well below a tenth of respondents were under 24, about two fifths were between 25 and 44 and nearly as many were 45 to 64.

The middle-aged nature of membership is emphasised again by the fact that 87 per cent of the 45 to 64 year-olds had served here for more than 11 years. "This represents a loyal membership but a cohort which will serve as a declining resource base in the future," the report says.

Only 5 per cent of respondents were women, although this figure is likely to be an under-estimate of true membership as more women than men are part-time workers and are less likely to respond to union questionnaires.

The survey shows that 85 per cent thought the union's role in protecting pay and conditions was very important, only 17 per cent put the provision of discounted goods in the same category. About 10 per cent wanted the union to provide a subsidised health insurance scheme long the lines of BUPA.

The survey was addressed to 4,400 members, equivalent to 10 per cent of the Union's membership in the region. *Nearly half responded.*

Reprieve for Aberdeen fish landings

By James Buxton

WHITE FISH landings at Aberdeen are to continue for another week, following an initiative by ACAS, the Advisory and Conciliation Service, to break the deadlock in a dispute between the Harbour Board and fish porters.

The Harbour Board had been set to end whitefish landing from last night because of a failure to agree pay and conditions with the fish porters, who are part of the National Dock Labour Scheme.

Negotiations under the auspices of ACAS resumed yesterday between the two sides and will continue on Monday. At the request of ACAS the Harbour Board is to amend the constitution of the temporary company which handles white-fish landings to enable it to continue operating into next week. Neither side in the dispute was commenting last night.

The threat of an end to white fish landings at Aberdeen, once one of Britain's leading fishing ports, emerged after the Harbour Board this week *broke off discussions* with the fish porters, members of the Transport and General Workers Union, on the formula for a new company to handle fish landings. The Harbour Board decided to establish its own company when a private sector company failed.

The Harbour Board said the porters were asking for an "extravagant" pay increase which would make the company unviable. Agreement had already been reached on a reduction in the number of porters from 86 to 45.

There are fears in the large fish processing industry in Aberdeen that if no permanent solution is found the industry could eventually have little reason to remain in Aberdeen.

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The risk of overkill

THE WORLD's economic policy-makers lost control of inflation twice in the 1970s. The experience left an indelible mark in the minds of many central bankers and finance ministers. Indeed, it would not be an exaggeration to argue that economic policy during the 1980s has been dominated by fear of inflation. Governments would never have allowed unemployment in the industrialised world to climb so high, but for that fear. Nor would they have burdened heavily indebted developing countries with such cripplingly high interest rates, but for the perceived danger of rising prices.

During the mid-1980s, the neurosis about inflation began to look a trifle excessive. Unemployment in the OECD area had topped 30m, yet many governments, especially those in traditionally "sound money" countries such as West Germany, were still pursuing extremely restrictive macroeconomic policies. The case for limited reflation was put with increasing vigour. Monetary – and to a lesser extent fiscal – policy was loosened everywhere, most obviously in the UK. Those, such as the West Germans, who continued to err on the side of caution were heavily criticised, especially by the Reagan Administration.

This weekend, as finance ministers and central bankers gather in Washington for the spring meetings of the International Monetary Fund (IMF) and World Bank, fear of inflation is back with a vengeance. Prices are rising unacceptably quickly in many countries, especially in the UK and US, the two nations which took the biggest macroeconomic risks during the 1980s. Steady non-inflationary growth, taken for granted for two decades after the Second World War, appears once again to have been a mirage. The 1980s, like the 1970s, seem set to end on an inflationary note. The issues which used to dominate international meetings – trade imbalances and currency instability – have slid into the background.

Inflationary bears

Gloom about inflation, however, is easily overdone. The world economy is 10 per cent bigger than it was three years ago. An expansion of this magnitude was welcome after the stagnancy of the early 1980s. And although it has put upward pressure on inflation, things are not quite so bad as the inflation bears pretend. In the inflationary surge of 1979-80, the average rate of increase of consumer prices in the big seven economies topped 12 per cent. The increase was larger still in the early 1970s.

What kind of inflationary débâcle is the world economy heading for this time? The hand-wringing by some central bankers might lead one to suppose that 6 per cent, 8 per cent or even 10 per cent inflation were in the offing. Fortunately, the outlook is much better than this. Early drafts of the IMF's latest world economy forecast (which is to be released next week) suggest that inflation in the big seven economies will average just 3.7 per cent this year and decline to 3.4 per cent in 1990. Late 1980s inflation is thus rather tame. An inflation spike of less than 4 per cent, less than a third of the rate reached at the last business cycle peak, is surely not something to cause too many sleepless nights.

Britain's spike

Some countries, naturally, are in better shape than others. Japan's inflation rate may average no more than 2 per cent this year; West Germany will not do quite so well, but it should hold price increases below 3 per cent. Britain's inflationary spike, on the other hand, will dwarf those of all the big economies, including such traditionally poor performers as Italy and France.

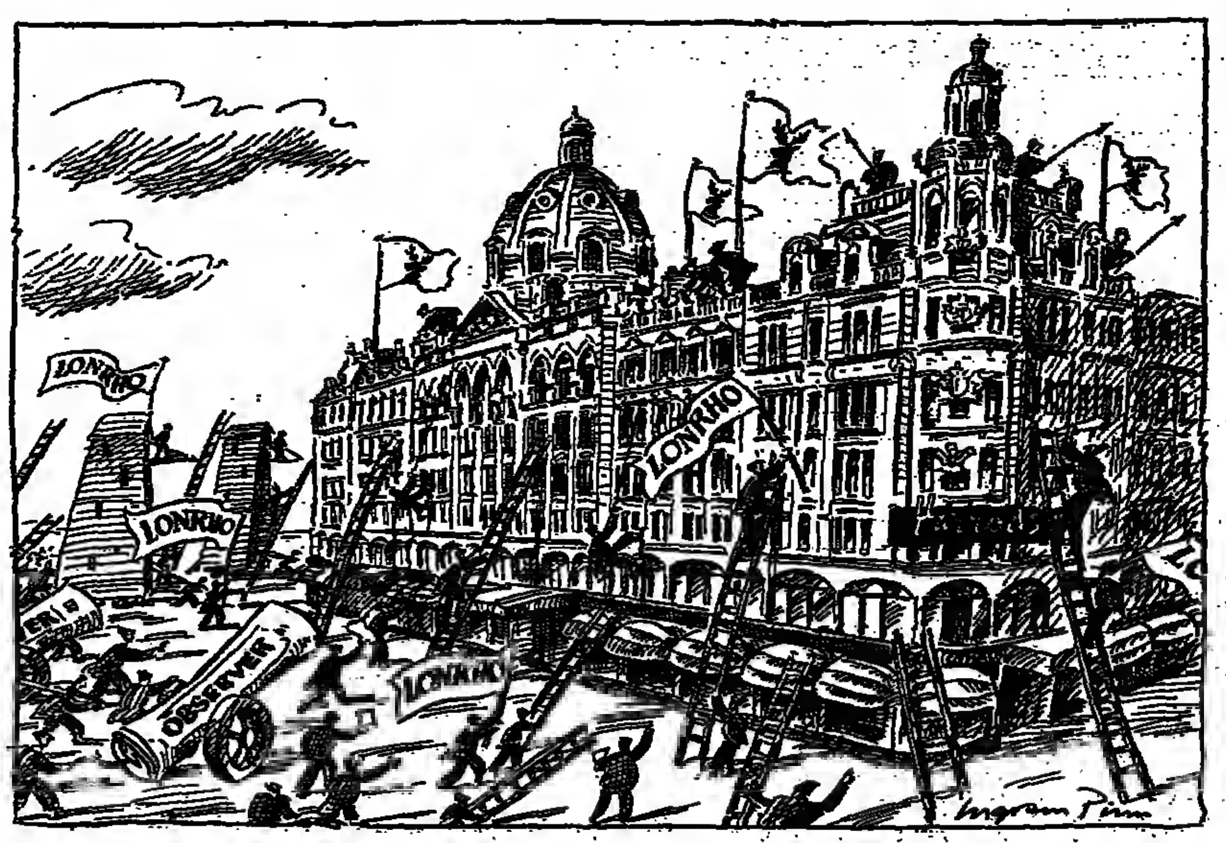
The IMF forecast, of course, may have erred on the side of complacency. Growth could be more robust than envisaged. After all, this is what happened in 1987 and 1988. The recent rise in oil prices, although paltry when set against the turbulence of the 1970s, is also a cause for concern. Yet the danger that the IMF has seriously underestimated world inflation must be slight.

The modest nature of the inflation threat in this business cycle is undoubtedly a reflection of the fear of price rises established in the 1970s. Some economists have accused policy-makers of a lax response to rising inflation. In reality, the policy response in most countries was both rapid and firm. Central banks have aggressively pushed up interest rates in the past 18 months (the dip in the aftermath of the October 1987 stock market crash was short-lived).

Much of the impact of this monetary tightening is yet to be felt. The word from Washington is that finance ministers are aware of the lags and will not be panicked into further early interest rate increases. While a firm stance against inflation continues to be essential, policy-makers must also pay heed to their next challenge, which is to sustain world growth in the early 1990s.

John Plender on the latest turn of events in the battle for House of Fraser

A surprise attack by Tiny's troops



Until this week there was a fair chance that the controversy surrounding the Egyptian-born Fayed brothers' bid for the House of Fraser stores group in 1985 might disappear indefinitely from public view as the wheels of the law ground slowly towards an uncertain conclusion. By publishing extracts from the Department of Trade inspectors' hitherto secret report on the takeover in a special mid-week edition, Mr "Tiny" Rowland's Observer newspaper has not only guaranteed that the affair will not be swept under the carpet, but pointed to a scandal that could ultimately rival the Guinness affair in the scale of the fallout for leading City firms.

The Department of Trade's successful injunction preventing the Observer and its parent Lonrho from publishing and distributing information from the report has merely added to a furore that is causing increasing embarrassment to the Government. The ready availability of copies of the paper in London on Thursday and Friday – legal gag notwithstanding – has ensured that a selectively abridged version of the inspectors' report is now in the hands of most of those who are remotely interested in its findings.

The parallel with the Spycatcher case, in which the government sought to suppress the memoirs of former MI5 agent Peter Wright even after they had been widely disseminated, has provided ample ammunition to opposition spokesmen. In a letter to the Secretary of State, Labour's Bryan Gould yesterday attacked the government for "this further and extreme incidence of official secrecy" and called for parliamentary debate on the issue. Lonrho, meantime, is continuing its legal battle to have the injunction lifted, while Lord Young pursues the "mole" through another Whitehall leak inquiry.

In common with the rest of the media, the Financial Times cannot publish the contents of the report without risk of being held in contempt of court. But on the basis of earlier investigation into the circumstances surrounding the Fayed brothers' controversial takeover of the Harrods and Army and Navy stores concern it is possible to highlight the main areas of public concern arising from a bid which was nodded through without a Monopolies Commission reference in just 10 days by the then Trade Secretary Mr Norman Tebbit.

The first question at issue is whether the Fayed brothers – Mohamed, Ali and Salah – deceived the Office of Fair Trading and the Department of Trade and Industry about their background and the sources of their wealth in formal documents and interviews at the time of the bid. Detailed research leaves little doubt that the brothers were not, as they claimed, from an old-established Egyptian family of shipowners, landowners and industrialists endowed with fabulous dynastic wealth. Sons of a teacher, they came from respectable but poor surroundings in the old customs district of Alexandria.

Their inherited wealth was negligible and the eldest brother, Mohamed, was a Coca Cola seller before going on to find employment with a budding Saudi entrepreneur who is now best known for his controversial arms deals and conspicuously expensive lifestyle: Adnan Khashoggi.

After falling out with Khashoggi, Mohamed subsequently scented business opportunities in Haiti, where he was welcomed by the notorious "Papa Doc" Duvalier and heralded by local newspapers as a Kuwaiti sheikh with money to spend. Having acquired concessions for operating the port and exploiting oil and mineral rights in Haiti, he departed suddenly amid a welter of recriminations over his conduct.

If more of these facts about Mohamed Fayed's colourful career had been known to the Department of Trade at the time, it seems inconceivable that the bid would have escaped further inquiry. Or, indeed, that the brothers would have come to rub shoulders with the British Royal family and leading politicians. But the Fayeds had found powerful support in the shape of a leading merchant bank, Kleinwort Benson, and prominant City solicitors Herbert Smith (who, unlike Kleinwort, continue to act for the Fayed brothers).

Whatever their own understanding of their involvement may have been, these well known names undoubtedly lent credibility to the brothers' claims in the eyes of others, including the Government. This was particularly true in relation to the biggest mystery about the affair: the source of the money for a bid that valued House of Fraser at the very substantial sum of £615m.

In its submission to the Office of Fair Trading, Kleinwort listed a range of businesses and property assets and referred to the brothers as "leading shipowners in the liner trade." On television Mr John MacArthur, then a director of Kleinwort, declared that "their net worth, from what I know, is several billion dollars."

MacArthur's assertion seemed bold at the time since he simultaneously admitted that he had had not seen any consolidated financial statements for this supposedly huge multinational business. It also implied that his clients had somehow risen without trace to billionaire status, since they appeared not to be well known in most of the areas they claimed to have prospered in. Yet on close examination the Fayeds' actual business interests in shipping, property, oil and construction turn out to have been far too modest – in relation to the size of the House of Fraser deal – to have permitted a takeover without access to substantial outside funds.

Through solicitors Herbert Smith the brothers have denied to the Financial Times that they borrowed money to finance the acquisition. Yet they have yet to indicate any more plausible source of funds. Tiny Rowland, chief executive of Lonrho, has claimed that the money came from the Sultan of Brunei, on whose behalf Mohamed Fayed acted in the purchase of London's Dorchester Hotel. But the Sultan has constantly denied – without convincing everyone involved – any suggestion that a power of attorney granted by him to Mohamed Fayed was used to tap his funds to facilitate the bid.

What is clear is that enquiries made by Kleinwort Benson about its client fell short of what many would expect of a leading merchant bank. And while there may be room for argument about the precise degree of reliance that the DTI and the Office of Fair Trading should place on merchant banks and lawyers in a takeover, enough questions had been raised publicly about the Fayeds at the time of the bid to suggest that both Kleinwort and Herbert Smith might have embarked on a more thorough investigation of their clients' background.

Similar questions arise on the role of the press, part of which appears to have been too ready to believe what it was told by the Fayeds and their advisers. The public relations industry's good news machine appears to have had things very much its own way with a surprising number of leading journalists.

After this week's sparring match between Lonrho and the government, the question is where the story goes from here. Yesterday the Financial Times learned that Scotland Yard's enquiries on behalf of the Serious Fraud Office and the Crown Prosecution Service had run into obstacles in Egypt. The Egyptian authorities, whose cooperation is necessary if the police are to produce evidence relating to the Fayeds' background, claim not to have received letters sent through Interpol and via diplomatic channels to request an entrée. A police visit to Egypt planned for next week has therefore had to be postponed. This appears to confirm Lonrho's suspicions that the route chosen by Lord Young to pursue the case will be long and tortuous, at best. It will certainly add to the Government's embarrassment in a week which has seen Lord Young come under increasing attack for his policy of non-disclosure.

In the meantime the case against publication of the inspectors' report has been greatly weakened by the dissemination of information by the Observer; arguably, too, by Lord Justice Watkins in the High Court, who argued in January that publication was unlikely to interfere with the gathering of evidence or to prejudice a jury – the grounds on which the Serious Fraud Office urged Lord Young not to publish.

The irony is that Lord Young is doing precisely what his predecessor, Norman Tebbit, is most open to criticism for: slavishly following other people's recommendations rather than adopting a robust line of his own. By now the story can only run and run. The new question this week is how big a hole Lord Young and the government are going to dig for themselves.

* * *

DEPARTMENT stores are regarded by many retail commentators as the most difficult type of shop to run. Other observers go further in saying that there is no future in the modern high street for this "dinosaur" of the retail world

So when the Fayed brothers took over the House of Fraser stores group in 1985 they were taking on a tough management job, quite apart from embroiling themselves in Mr "Tiny" Rowland's long-running ambition for his Lonrho group to own the retailer.

Judging by the financial results filed at Companies House, the Fayeds have not made a great success of their task so far. Sales in the year to end April 1988 were £1.8bn including value added tax – which compares with £956m in the year to end January 1984. Pre-tax profits have advanced between the same two years from £38.8m to £46m. In each case that is a paltry return.

However, a simple condemnation of the Fayeds as retailers would be harsh. Directors of the group stress that although the long-term aim of the Fayeds is to make a proper return on sales and assets, short-term profits are not the goal. And they suggest that the last calendar year, yet to be reported, saw an advance.

Department stores are typically large, old buildings, with many floors. That alone makes them difficult to run efficiently. The shops are often sited in the wrong part of town because the centre of trade has shifted over the years. It is also difficult for department stores to provide the wide range of merchandise customers expect in the right quantities, without laying themselves open to the necessity of large stock write downs or stock being carried over from season to season.

The actions of the Fayeds have to a large extent started to tackle these difficulties. The group is now divided into three autonomous divisions. Harrods, the prestigious Knightsbridge store, which is run by Mohammed Al-Fayed, is a unique business and has been recognised as such. A £200m refurbishment programme is in progress. Dickins & Jones has become a small division of essentially fashion stores, while the remaining stores have been grouped under the House of Fraser tag.

A number of smaller or problem stores, which were thought unlikely ever to make an adequate return, have been sold. Others have embarked on expensive refurbishment schemes. The group's buying departments have been revolutionised. The introduction of information technology has been accelerated to the point where the group is on the verge of reaping the benefits of a hefty investment.

Few of the leading department store groups can claim to be truly successful. (The John Lewis Partnership is the obvious exception:

Many chains have changed hands recently – Owen Owen twice, in 1985 and 1988. Lewis's was bought by its management last year, and Allders, part of Hanson, is currently being acquired by its management.

If the Fayeds are given the chance to continue running House of Fraser, they may yet prove able to beat at least some of the competition.

Maggie Urry

MAN IN THE NEWS

Tom Duxbury

The boss with an expensive taste for privacy

By David Waller

Some years ago, Tom Duxbury went through a very messy and public divorce. For a while, the tabloid press was full of gleeful stories about the "millionaire tycoon" and his enviable lifestyle on the Yorkshire grouse moor circuit.

This week, Mr Duxbury – who has been chairman of the Magnet kitchen and bedroom furniture group since 1985 – hit the headlines again, but in a rather different context and in newspapers altogether more sober than The Sun.

Together with two fellow directors, he has launched a £630m buyout bid for Magnet. If successful, it will be the biggest "go private" transaction in UK corporate history.

The bid is ambitious – given the size of the deal and the fact that Mr Duxbury and his team own less than 2 per cent of the company they are trying to buy – but Mr Duxbury has never been one to shirk a big challenge. In his four years at Magnet, he has pursued a radical strategy, turning the company away from its roots as a supplier to the building trade into a high street retailer.

Although the blunt Yorkshireman would not be seen dead in a hot air balloon or a hydrofoil, he and Richard Branson of Virgin have quite a lot in common. Both are visionary entrepreneurs who have not been properly understood by the City of London, and both would prefer to run their own companies rather than submit to the stock-market.

Profits have vaulted under Mr Duxbury's stewardship but the City has not always shown its appreciation. A series of public relations catastrophes ensured that the shares underperformed the stock market by 20 per cent last year. Mr Duxbury maintains that the company is woefully undervalued and thus vulnerable to a hostile bid. The only way to avoid this, he argues, is to buy the company himself.

Mr Duxbury, 52 this week, first got the opportunity to display his entrepreneurial mettle in 1960. His father had died and at the age of 23 Mr Duxbury took the helm of the family joinery business. His strategy anticipated his later, more ambitious, moves into the retail sector.

"I had noticed that all the builders' merchants were driving Rolls-Royces and I was driving a Ford," he remembers. "That didn't seem right. I started selling my doors and windows direct to the public, cutting out the middleman." Profits catapulted from £80,000 a year when he took over, to £5-£6m by the turn of the decade.

In 1975, Magnet merged with the Southerns-Evans timber business to create Magnet-Southerns. For a decade, Mr Duxbury played a distinctly back-seat role. He is very reluctant to talk about this period, describing it enigmatically as "a very moderate period of my life."

He made his mark soon after he was invited to become chairman and chief executive. In a radical move, he abolished discounts to trade customers. This was part of an attempt to woo the general public but had the effect of driving away Magnet's traditional customers in the building trade. Profits slipped – but behind the scenes, Magnet's retail revolution was under way.

Mr Duxbury discovered that by tarting up a small enclave within the messy confines of a depot, sales to the general public leapt. Simple refurbishment of a depot, costing perhaps £50,000, gave an immediate 60-70 per cent increase in sales. Profits would jump, too, and in autumn 1986, Magnet announced a 71 per cent hike in its interim profits.

This took the City totally by surprise. Magnet was rerated upwards and Mr Duxbury briefly became a hero of the stock-market. This lasted until June of the following year, when Mr Duxbury announced a two thirds increase in profits, told the City that current year profits and growth trends met his "highest expectations", and held a £71m rights issue.

The rights issue was enthusiastically taken up but in August the shares collapsed after two stockbrokers paid a visit to Magnet's headquarters in Keighley, West Yorkshire. They downgraded their forecasts for the year, from £70m to just over £50m, and the shares tumbled by 20 per cent in a week.

The reason for the shortfall emerged later: a vertically integrated company, Magnet had geared up its manufacturing output in anticipation of sales which failed to materialise. By June, it was massively overstocked and was forced to slash prices.

From being the darling of the market, Magnet became something of an investment pariah. The mistrust redoubled a year later when Mr Duxbury sold off the old Southerns Evans business, for £83m.

Some observers have seen the Magnet buyout in terms of grand ethical conundrums and conflicts of interest between management and shareholders. Mr Duxbury sees it more bluntly: his offer of 300p a share is a 50 per cent premium over the price the shares would be without the offer. Kleinwort Benson, the merchant bank advising the company, has told shareholders that they should consider the bid seriously but that it "may not reflect the possible growth prospect of Magnet and therefore may not offer an appropriate premium for control." Mr Duxbury says this comment is an example "of having your cake and eating it."

As a manager, he is frequently impulsive: there would appear to be no other explanation for his treatment of the company's advertising agencies. J. Walter Thompson was hired and fired no less than three times during 1985-88.

The other side of this coin is an obvious dynamism and flair. He has a reputation as an aggressive opportunist, a man who gets things done. This is reflected in the 30 per cent compound growth in profits at Magnet over the last three years: pre-tax profits have grown from £28.2m in 1984-85 to an estimated £72m in the year which ends this week.

Having initially focused on refurbishments, then on out of town "megastores", the plan is now to concentrate on the high street where Magnet's kitchens would be more accessible to the ideal customer – the middle- to upper-class woman.

It has been said that Mr Duxbury runs Magnet like a family business. Matthew Ingle, one of the other directors making the bid, is his nephew. So, if the bid is successful, a family business is exactly what it will again become.

Lisa Wood describes what lies behind Allied-Lyons' acquisition of Chateau Latour yesterday

In wine, less means better

Unique, like a Van Gogh but more profitable, was how Mr Mike Jackaman, vice chairman of Allied-Lyons, yesterday proudly described his latest acquisition – Chateau Latour, the prestigious premier cru wines producer.

Allied, best known in Britain for its Inde Coope best bitter and Ballantine's whisky, has secured control of Chateau Latour in a £56.2m cash payment for the 53.5 per cent of the Chateau owned since 1963 by Pearson, the conglomerate which owns The Financial Times.

Pearson has been the principal shareholder in Chateau Latour for the past 26 years. Lord Blakenham, chairman and chief executive of Pearson, said Chateau Latour had been an outstanding investment for Pearson but it was small in the scale of the group's other activities and Pearson had no related businesses. "This move," said Lord Blakenham, "is a further step in our policy of continuing to focus on our core businesses and the proceeds will be used to support their development."

Chateau Latour, a first growth claret, is one of the relatively small number of internationally selling wines in a static global marketplace which remains highly fragmented and generally low margin.

Most of the major international drinks companies have wine interests but for all these companies – including Seagram, Allied-Lyons, Grand Metropolitan and Guinness, wine is a very small part of their alcoholic drinks portfolio.

"Wine production can provide a lovely way of life but it is difficult to make money in it," said IDV, owner of Piat D'Or, the largest selling brand in the UK.

Several reasons contribute to this. On the one hand, in much of the world, wine is a commodity product with a low-cost entry point, produced by small farmers, put on the table and drunk by the litre. Over-production of such poorer quality wines has been rife. In Europe, for example, the largest producing area in the world, the European Commission is providing assitance for the grubbing out of thousands of hectares of European vineyards, which will reduce table wine production by an estimated 25m hectoliters by the end of this decade.

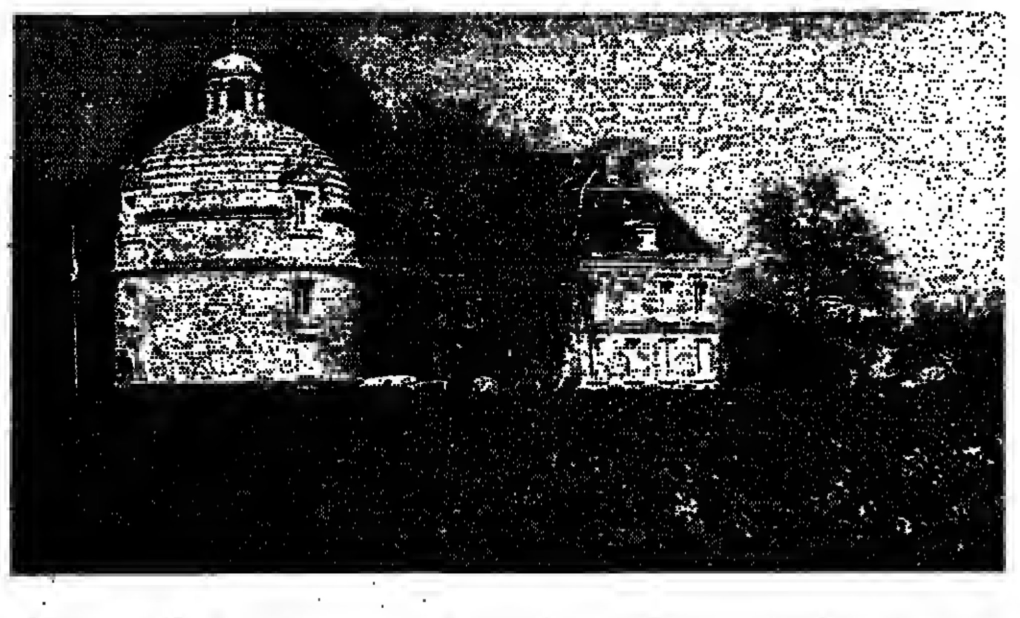
This is part of the EC's struggle to contain a wine lake and the adoption of increasingly stringent measures to make the Community's wine industry more market-orientated and less production-driven.

The lack of a strong corporate presence in the wine trade is due to difficulties in establishing branding – inconsistent quality being one of the main reasons for this. Global branding, the new god of international companies keen to expand global sales, depends on continuity of quality and no taste differences.

Indeed there are only four large volume internationally selling brands of wine – with the US being the major market. They are Blue Nun, Mateus-Rose, Mouton Cadet and Piat D'Or. Brands such as Riunite sell large quantities but in specific markets, like the US, rather than internationally. All wine brands have suffered in the last two years from currency fluctuations – the plummeting of the dollar in 1987 forcing up the price of imported wines to the US, the largest import market.

Despite the problems of international trade in wine *there is an increased consumer* interest in brands – particularly after the recent Austrian and Italian wine scandals with consumers prepared to pay a *little* more for the assurance of quality-control in the bottle.

This is also occurring in those markets where wine is a traditional quaffing product. *Mr Tim Ambler of IDV said:* "In almost every wine producing area there is a steady reduction in the consumption of low quality wine and an increase in the quality and. *That* goes for all the major consuming countries – like Spain, Italy and France."



The major drinks companies *argue that* at a *time when consumers* are drinking less they tend to drink better quality products and are prepared to pay a premium price for this pleasure. Companies are seeking to exploit this market for better quality brands – for example Allied has set up European Cellars, a joint *venture with Whitbread, the UK* brewer and retailer.

Formed in 1987, European Cellars' acquisitions include Hermann Kendermann GmbH Weinkellerei, producers of Black Tower, one of the biggest-selling German white wines. Black Tower was family-owned and in need of the greater financial and distribution channels that the new owners could provide.

Allied-Lyons also owns two Californian vineyards, one, producing the Clos Du Bois brand, acquired last year; and the other, Calloway, acquired when it bought Hiram Walker, the Canadian drinks group in 1986. Both, said Mr Jackaman of Allied Lyons, were at the premium end of the Californian wine industry.

"The wine business is very difficult," commented Mr Jackaman. "Wine is easy to produce and sell but it is more difficult to make a profit than with other drinks. In that respect I would prefer to be selling brands such as Ballantines and Canadian Club.

"I do not see us wanting to invest a lot of money in the wine industry generally. We would not for example want to go out and buy a big volume producer of standard wines as volume production of wine does not interest us. But we do want brands that are special."

Mr Jackaman believes that a high quality wine, like Chateau Latour, would in Japan, for example, have the same social cachet as a Louis Vuitton bag or a Cartier watch. "The business is luxury," he said. He said the acquisition of Chateau Latour would also round out Allied's drinks portfolio at a time when most other major drinks companies competing in world markets are seeking to offer a full range of drinks. This brings competitive advantage if customers can be offered a complete array of products.

Recently France has been a focus for the larger drinks companies to acquire good brands, many of which were family-controlled. Seagram, for example, acquired Martell, the Cognac house; and Bass, the UK drinks group bought Cognac Otard.

In Bordeaux, where Chateau Latour is located, there has been a considerable change in ownership of some of France's finest vineyards and wine merchants. Considerable investment has come from French insurance and financial institutions. However, much has come from large multi-nationals. Alexis Lichine & Cie is owned by Bass, the UK brewer; Bartoo & Gustier by Seagram, CVBG by Douwe Egberts, the Dutch company; and Brent Walker has acquired four vineyards through its purchase of Whyte & Mackay, the Scotch whisky producer.

As to why Allied paid such a premium price for Chateau Latour, Mr Jackaman said: "There is no better name in the wine industry. The opportunity to control it was irresistible."

Anthony Robinson reports from Windhoek, the capital of Namibia, where Mrs Thatcher ends her African journey today

The UN takes over

Namibia, into which Mrs Margaret Thatcher flies today on the last leg of her African safari, was designed by nature for obscurity – only to have notoriety thrust upon it by the quirks of man and politics. Vast, parched and scarcely populated, it stretches endlessly between two deserts, the Kalahari and the Namib and two rivers, the Orange in the South and the Cunene on the northern border with Angola.

A former German colony, the country was invaded by South African troops during the First World War and has been governed by Pretoria ever since. That long hegemony is now coming to an end with the start today of a UN-supervised transition towards independence under the terms of Security Council Resolution 435. If all goes to plan elections to a constituent assembly will take place on November 1, after which the newly elected members will draw up a constitution under which Africa's last colony will gain its independence and probably join the Commonwealth.

Namibia's troubles go back to the height of the colonial era. In the 1890s, German troops under General Von Trotha killed an estimated 75 per cent of the local Herero population in a ruthless war of extermination.

Even today the population of this huge country nearly four times the size of France is less than 1.2m. Over 50 per cent are Ovambos who live in hundreds of scattered villages and kraals south of the Cunene and Kavango rivers. It is here in Ovamboland that the "liberation war" waged by the South West Africa Peoples Organisation (Swapo) led from exile by Mr Sam Nujoma has been fought for the last two decades.

After Angolan independence in 1975 the bush war became intimately tied up with Pretoria's broader war against Soviet-supplied Cuban and Angolan government forces. This broader war in turn became part of the global rivalry between the superpowers. The easing of that rivalry under President Gorbachev has created the conditions for a second attempt to bring about Namibian independence under UN auspices.

The first attempt came to nothing eleven years ago. Today the prospects for independence seem much brighter. A decade ago farmers were at the onset of a seven year drought and the economy was depressed. Now the grass is high in the grazing areas, karakul wool and beef prices are up, while strong base metal and diamond prices have boosted mining incomes. Meanwhile the influx of diplomats, UN officials, soldiers and journalists has sparked a property and construction boom in Windhoek. Foreign tourists are also back.

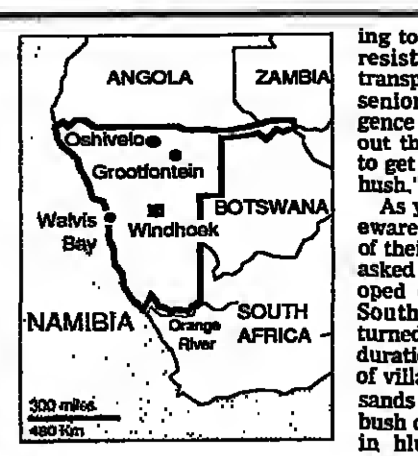
Swapo has been largely inactive as a military force for the past two years. A special UN force is monitoring the phased withdrawal of Cuban forces from Angola, while in Namibia itself soldiers in the UN's blue berets are moving into the bases and barracks of departing South African troops. Only nine months ago, there were an estimated 50,000 to 60,000 South African troops in the country. By June 23 only 1,500 South African soldiers will be left in the territory and they will be confined to the two northern bases of Oshivelo and Grootfontein.

By November 1, when the elections for a constituent assembly take place, all South African troops are scheduled to have left the country for new or expanded bases set up across the Orange River or in the South African port enclave of Walvis Bay.

The run up to the elections will be monitored by a total of 4,650 UN soldiers and 600 civilian police. In the campaign, Swapo, deprived of its former UN status as "sole authentic representative of the Namibian people" will be competing against the white-supported Democratic Turnhalle Alliance and a plethora of smaller parties for the two thirds majority it will need to write its own constitution.

Thus far both the South African withdrawal and the UN replacement seems to be going smoothly – at least in Grootfontein where conscripts are busy day and night loading freight trains with armoured cars, petrol tankers, trucks, ammunition and all the paraphernalia of war for the long ride south.

Last week Commandant Mark "Gypsy" Mullan, the red-bearded acting base commander was in his briefing room sorting out details of identity passes, accommodation and security arrangements with officers of the newly arrived UN contingents. Across the table Australian Major David Crago and Polish logistics officer Major Zdislaw Jamka agreed that UN vehicles should be checked by mirror for possible undercarriage limpet mine booby traps, noted down supply arrangements and gratefully accepted advice on *reliable local contractors*. British Major Alisdair Harrison, whose 30th Signal regiment is in charge of telecommunications hovered discreetly in the background.



Now that they are here in remote northern Namibia the foreign officers readily concede that without South African co-operation their task would be virtually impossible and agree that up to now co-operation *has been willingly given*. Pointing to a line of specially mine-resistant four wheel troop transports, Johan Slabbert, a senior South African intelligence officer, confided "without those they'll never be able to get off the road and into the bush."

As yet the UN forces, acutely aware of the political delicacy of their task, have not formally asked for the specially developed equipment used by the South African army to be turned over to them for the duration. But, with hundreds of villages surrounded by thousands of square miles of rough bush country to patrol the men in blue berets are going to need the bush warfare equipment made by South Africa to beat the UN's own arms embargo.

Meanwhile, contact with Namibia is proving somewhat of an eye-opener to some of the UN troops. A corporal with the Australian civil engineering unit at Grootfontein base explained "I came here expecting to see a third world pigsty with potholed roads and shanties all over the place but its just like Queensland without the flies."

LETTERS

Welcome to Southwark

From Mr George Nicholson.

Sir, Both Paul Cheeswright (Weekend FT, March 25) and Colin Amery (March 28), writing as the FT moved to its new building, have commented on the difficulties of building in Southwark. Neither gives an accurate picture of events.

The North Southwark Community Development Group (NSCDG) along with many other local organisations, opposed the original scheme by Laing's: then as now it represented both a disgraceful misuse of the waterfront of the UK capital city, and an affront to the local community which lives close by.

Our protests were supported by the Greater London Council (GLC) at the time, although they were subsequently overruled at a public inquiry.

It is interesting to read again the letter to the NSCDG from John Silkin, then the Minister for Planning, at the time of the decision in 1976. In it he said that "allowing the development was the only way of getting something going on the site." 10 years later the site was still vacant, although the permission had been kept alive.

It is instructive to look at the progress on the adjacent site – the old Courage's bottling plant site. Acquired by the Greater London Council in 1983, the site – incidentally, larger than the FT's new one – has been subsequently developed by the GLC and Southwark Council with a mix of sheltered housing, industrial workshops, restored historic housing and new family housing. Work will be completed later this year.

The two sites therefore offer an interesting contrast for you to ponder on from your new vantage point.

First, Southwark Council can hardly be blamed for a 10 year period of market inactivity. Second, the Courage site demonstrates that local authorities can produce viable mixed inner city schemes. Third, by your own admission you are moving into a building which "lacks any architectural distinction," whereas we are pleased to have reclaimed a little piece of London from the creeping deadness of office development.

In so doing we would suggest that we have ensured a slightly more balanced development of an historic area than the market would allow on its own – which is precisely what NSCDG was arguing about at the initial Laing's inquiry.

Welcome to Southwark. Here's hoping we can get to understand each other from now on.

George Nicholson,
North Southwark Community Development Group,
56 Southwark Bridge Road, SE1

Estate agents' services

From Mr Michael Pattison.

Sir, Your article "Concern over estate agents' services to homebuyers" (March 14) referred to the recent statement by the Law Society. One aspect focused on was disclosure by estate agents of insurance commission or other remuneration received during a transaction. The article went on to explain the Law Society's call for estate agents to be regulated by a code of conduct which has the force of law.

The Royal Institution of Chartered Surveyors, too, is most concerned about some sections of the house agency industry which seem to have abandoned any pretext of professional duty of care to the vendor. It takes only a few unethical operators to undermine public confidence in the whole industry.

Wa wrote to the Minister for Consumer Affairs about this in January this year. We called for the implementation of a package of measures including a compulsory code of practice with statutory backing. This is essential if the fringe operators are to be brought within the net and made to respect at least some of the ethical standards required by the professional societies whose members offer property services.

In the context of your report, the code proposed by the RICS would cover the need for an estate agent to disclose to his or her client all insurance commissions and other remuneration which he stands to gain from the transaction. I welcome the support of the Law Society for the introduction of a code with statutory backing.

It is time for the Government to act. The primary legislation is already in place.

Michael Pattison,
Secretary-General, The Royal Institution of Chartered Surveyors,
12 Great George Street,
Parliament Square, SW1

'By far the most hygienic'

From the Chairman, British Egg Industry Council.

Sir, Your leader (March 16) states: "The salmonella in question is a new strain, which may have emerged because of new intensive methods of rearing and feeding hens".

● There is no evidence to show that intensive methods of farming cause salmonella in eggs. The Select Commmittee said: "The evidence linking human cases of salmonella enteritidis to eggs is mainly circumstantial."

● As I have pointed out (Letters, March 6), disease does not spread rapidly among hens in close proximity – the battery system. The reverse is true. Of those salmonella outbreaks which have been traced back to eggs as a possible source, a disproportionate percentage have been traced back to free range eggs. The free range system is such that the eggs cannot be kept away from the hens' droppings and wet feet. Intensive farming is by far the most hygienic method of production; there is little chance of contamination from droppings, rats and mice.

The British Egg Industry Council welcomes the legislation requiring testing of poultry flocks which came into force on March 16. All industry testing done so far has shown that salmonella is not a widespread problem in egg laying flocks. Eggs, cooked or raw, remain a wholesome, safe food.

John Coles,
Bury House,
126-128 Cromwell Road, SW7

Cash does nicely, too

From Dr A. Winterbourne.

Sir, Roger Beard's article on tha use of plastic cards rather than "real" money (March 25) does not quite convince, no matter how agreeably reactionary the tone.

For example, in a few weeks' time I shall fly to Munich, where I shall collect a new car, then drive through Austria, Switzerland and France before returning home. Does Mr Beard seriously expect me to buy four different currencies before I leave, and hazard a guess at just how much I might spend in each country?

And he really should know that the French Carte Bleue is not a credit card at all, but a charge card. My own experience of France, in particular, is that cash is welcome anywhere, and – for the French especially – does nicely.

Anthony Winterbourne,
Prebendal House, Church Lane,
Lyddington,
Rutland, Leicestershire

There is no philosopher's stone of successful investment

From Mr C.T. Ross.

Sir, "Why it pays to keep it simple" (Academic Investor, FT, March 25) highlights a little understood fact about the various stock market indices and the apparent performance of unit and investment trusts and other funds.

The managers of the college portfolio quoted need not find it puzzling that while they have broadly invested in the "index stocks" they have apparently outperformed the various market indices. They have calculated their performance on the basis of the cash they have invested and the sum their portfolio is now worth – an arithmetic progression.

All the indices are computed as geometric progressions. Academic Investor thinks his college has handsomely beaten the index because his fund has risen 35 times in cash terms since 1953, while the FT index appears to be only 10 times higher over the same 36 years. In fact, if you calculate his funds performance on the same basis as the index, the results are about equal.

While it is sad to have to tell Academic Investor that his colleagues have not discovered the philosopher's stone of successful investment, it does raise serious questions about the performance of the vast array of professional investment vehicles, and in particular how their performance is represented to the public.

By comparing the arithmetic cash result of a fund against the geometric index managers who have performed identically to the market can represent this as a brilliant achievement.

Ever since I was involved in the computer programming of the FT Actuaries index in the early 1960s, it has seemed to me that there was a conspiracy of silence over this mathematical trick which, in effect, allows fund managers to represent their performance as so much better than it actually is.

Similarly, the City underrates the attractiveness of equity investment. Given inflation, the index infers that an average investor would have lost purchasing power over the last 30 years, whereas in reality he should have doubled his wealth.

According to Academic Investor's experience, if one of the new "tracker" funds appears statistically to do "as well as the index" (which many would assume was a creditable professional performance), then in 35 years or so an investor is likely to have about one third of the capital he might otherwise have if he invested his cash directly in the top British companies and did very little trading. The system may shield the incompetent professional, but it is very bad for the image of investment in stocks and shares generally.

Looking at the back of the Financial Times, there appear to be more unit, insurance and pension funds nowadays than quoted companies. How does their performance match up to the market generally if like is compared to like? Is it not time to start encouraging the public to start investing directly in the stock exchange again?

A level playing field of statistics would be a good start. Picking good companies is no harder than picking good investment managers – arguably it might be easier, and certainly it is cheaper.

C.T. Ross,
Mulberry House,
8 Mount Road,
Lansdown,
Bath,
Avon

UK COMPANY NEWS

Tony Cole fails in his attempt to regain chair of Bestwood board

By Andrew Hill

MR TONY COLE, the former chairman of Bestwood, has failed to regain his seat on the board of the property and industrial holding group.

But the result of yesterday's six-hour EGM, requisitioned by Mr Cole, does not seem to have killed his campaign to depose Bestwood's existing management.

Bestwood took the unusual step of barring the press from the meeting, to prevent Mr Cole using it as a platform for his views. Mr Christopher Hardie of Kleinwort Benson, Bestwood's adviser, said journalists had been excluded in an attempt to "sanitise" the EGM.

Mr Cole, who built up Bestwood between 1985 and 1988 through a series of acquisitions, said afterwards that he would continue with outstanding litigation – including two libel writs against Mr Anthony Holmes, the new chairman – and might consider requisitioning another EGM to oust Mr Holmes.

When he resigned as chairman in July after the stock market crash caused severe losses, Mr Cole said the group would benefit from a different style of management.

Tony Cole: will continue with outstanding litigation

Anthony Holmes, the new chairman and chief executive

But a letter sent to Bestwood by the Bank of England in December, said the Bank "had serious doubts regarding the suitability of Mr Cole as a director, controller or manager of an authorised institution."

Mr Cole said yesterday he would not necessarily put himself forward as an alternative to Mr Holmes, if another EGM were called.

Two EGM resolutions – to remove Mr Holmes, and to reappoint Mr Cole as a director – were defeated. About 35 per cent of the36.2m shares in issue were cast in favour of the first resolution, 51 per cent against. On the second resolution, 31 per cent voted in favour, 47 per cent against.

Mr Holmes said: "On the issues, he has not won anybody's hearts, minds or votes."

Mr Cole, who owns 10 per cent of Bestwood, is objecting to the validity of the first poll and intends to persist with legal action to prevent the Furlong family – whose housebuilding business was bought by Bestwood in September 1987 – from voting their 25 per cent stake against the resolutions. The case was rejected by the High Court on Thursday.

"I'm not surprised with the result," said Mr Cole yesterday, "but I still feel that we have represented about 33 per cent of the enlarged capital and consequently we ought to have a voice."

Bestwood announced its results for the year to December 31 last week, returning from a loss of £378,000 before tax, to profits of £2.61m.

Unitech shares jump on Swiss interest

By Hugo Dixon

MR TITO TETTAMANTI, a well-known Swiss lawyer and financier, and seven companies believed to be associated with him have acquired a 6.4 per cent stake in Unitech, the UK electronic components manufacturer.

The news, which was communicated to Unitech by Mr Tettamanti's lawyers yesterday morning, sent the company's share price soaring to close 29p up at 348p. At this level the company is valued at some £220m. The share price started the week at 288p and rose in response to persistent buying pressure.

The acquisition excited speculation in the market that Mr Tettamanti would make a bid for Unitech. Although Mr Tettamanti made no statement about his intentions, he has taken a lead in several high-profile corporate battles in Switzerland in recent years.

"We have to wait and see," said Mr Peter Curry, Unitech's chairman and founder. "He obviously sees the value we have been talking about for a long time.... For any business, there is obviously a right price."

However, any bidder for Unitech would have to come to terms with Elektrowatt, the Swiss energy and electronics company which owns 29.9 per cent of its shares.

Under an agreement with Unitech, Elektrowatt has promised not to bid for the company or sell its shares until August 1990 unless it is bid for by somebody else. In such circumstances, Elektrowatt would only be able to accept an offer if the rest of the board agreed, although it would be free to make a counter-bid.

Mr Richard Cunningham, an electronics analyst at Citicorp Scrimgeour Vickers, said this agreement meant Mr Tettamanti would have to make "quite a juicy offer". He described Unitech as looking quite expensive already.

The seven companies which have bought stakes in Unitech are: Saurer-Gruppe Holding, a Swiss engineering company which is Mr Tettamanti's main vehicle; Maecom SA; SB Operations Inc; SB Holdings INc; Financial Group of North America Ltd; North Atlantic Continental Capital Ltd; and Strategic Blocks Management Inc.

Rodime seeks salvation as net losses escalate to $25.6m

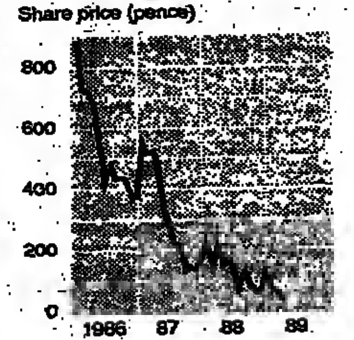
By James Buxton, Scottish Correspondent

RODIME, the disk drive manufacturer, is discussing the possible sale of the company or of certain subsidiaries as a result of disastrous trading conditions which produced an after-tax loss of $25.6m (£15.17m) in the year to September 1988 (following a loss of $18.4m in 1987) and a loss of $2.5m in the first quarter of fiscal 1989.

The company, based at Glenrothes, Fife, but also operating in Singapore and Florida, said it was at the limit of its available overdraft. Its auditors, Deloitte, Haskins and Sells, have disclaimed an opinion on the accounts for 1988 "on the basis of there being substantial doubt about the ability of the company to continue as a going concern and the uncertainty surrounding the outcome of certain litigation to which the company is party."

Turnover in the two months to the end of February was severely depressed because of production delays due to component shortages - caused partly by suppliers withholding supplies pending assurance as to payment. A substantial loss is expected for the second quarter and for 1989 as a whole.

In a detailed statement issued on the last day permitted under Stock Exchange rules for issuing its annual results, Rodime, which claims to have invented the 3.5 inch computer disk, said turnover rose 3.1 per cent in fiscal 1988 to $115.6m. It had to lower its sales prices to win orders from major manufacturers, severely affecting gross margins, which were also affected by the cost of rapidly expanding the Singapore plant.



It had to make a provision of $9.3m in the fourth quarter to cover inventory held at greater than realisable value and discontinued production of its RO 8000 series eight-inch disk drive. The after tax loss in the quarter was $17.1m (profit of $691,000).

Turnover in the first quarter of fiscal 1989 ending December 31 1988 rose 74 per cent to $40.5m ($23.3m) due to increased demand for certain products. But unit costs continued to exceed sales prices principally due to price competition and premiums paid for critical components. As a result there was an operating loss of $1.7m (profit of $545,000) and a loss after taxation of $2.5m (profit of $509,000).

Rodime had short term borrowings of $23.9m on February 24 compared with cash deposits of $7.8m on September 30 1988.

The company has cut production and the number of employees and is planning to subcontract the manufacture of some of its products to contract manufacturers in the Far East. But it says these measures alone are not expected to be adequate to enable the company to meet its obligations and it is therefore trying to secure additional funds.

Rodime is fighting two lawsuits. Jasmine Technologies is alleging that Rodime and officers of Jasmine conspired to weaken Jasmine in order to gain control of it. Apricot, which Rodime is suing for non-payment of £595,000 is counterclaiming £660,000 alleging thjat products sold did not conform to contract.

DDT board favours Vistec bid

By Nikki Tait

DDT Group, the computer maintenance company which is facing rival bids from Vistec and Apricot Computers, said yesterday that it believed that a merger with the former would bring more benefits.

DDT's board argues that "it is important to be independent of any particular equipment manufacturer so that so that there can be no restrictions on the products which the company can support." This way, it says, the company can pursue a larger market share.

However, the formal advice to shareholders is to await the Apricot offer document and take no action in the meantime.

The Apricot offer, worth about £7.6m on its paper terms, is slightly higher than Vistec's £7.2m, and also offers a cash alternative. Vistec's terms are paper-only.

Yesterday, conversations are understood to have taken place between DDT and Vistec, and it seems that there may be further contact over the weekend.

However, Apricot has a substantial advantage in terms of shares under its control: it started with a 29.75 interest in DDT, acquired a further 4.94 per cent after announcing the offer, and has pre-emption rights over another 4.91 per cent.

Yesterday, DDT sharea jumped 3p to 115p.

Record Holdings up to £4.01m

RECORD HOLDINGS, the manufacturer of premium hand and bench tools which returned to the main market in 1987 following a management buy-out, yesterday announced an improvement of £0.93m in profits to £4.01m pre-tax for the 1988 year.

The company also revealed that it had acquired a 5.2 per cent stake in Bardsey, a wholesaler and manufacturer of hand tools. The directors said the holding was acquired as a "worthwhile investment".

Sales for 1988 pushed ahead by 32 per cent to £33.42m, of which some 17 per cent represented organic growth.

A final dividend of 2.34p makes a total of 3p. The company's shares were listed in October 1987 and for the period to the end of that year shareholders received a payment of 0.67p. Earnings per ordinary share rose by 1.8p to 9.8p.

Despite a sharp rise in capital expenditure from £1.6m to £4.5m net debt fell to below 35 per cent of shareholders' funds (£12.47m against £11.25m) at the year-end.

An extraordinary provision of £413,000 (nil) represented reorganisation and relocation costs embracing the Melbourne factory closure.

Keep shares surge 74p on news of bid talks

By Andrew Hill

SHARES IN Keep Trust rose 20 per cent yesterday when the car dealer and manufacturer of playground equipment revealed it was in talks which could lead to a bid for the company.

The most likely suitor is Fitzwilton, the Irish investment company headed by Mr Tony O'Reilly, chairman of Heinz, which took a 30 per cent stake in Keep in October 1987. A bid, which would be recommended by Keep's board, would value the company at £44.6m on yesterday's closing price of 460p, up 74p.

Mr O'Reilly, a former Irish rugby international, is chairman of Keep, but neither he nor Fitzwilton's deputy chairman, Mr Kevin McGoran, who is also a Keep director, were available for comment yesterday.

Keep said yesterday that details would be announced within the next three weeks.

Mr Greville Howard, Keep's chief executive, added: "We would hope to act well within that period."

Apart from the Keep investment, Fitzwilton has been building a portfolio in four core sectors, including cash and carry in the UK, financial services and food processing in the UK and Ireland, and specialist distribution in the US.

Last August Fitzwilton, which has been suggested as a potential bidder for Waterford Glass Group, bought the Roy Hall Cash and Carry operation in the UK for up to £7.5m, and placed 15m new shares to raise I£25m (£20.9m) for the development of those activities.

Little response to Goldsmith bid for Anglo Leasing

By Nikki Tait

The offer by Sir James Goldsmith's General and Oriental Investments for Anglo Leasing, the company which will be used as vehicle for acquisitions in the UK, has been accepted by shareholders speaking for just 0.05 per cent of shares.

The offer was required because General Oriental acquired a 37.4 per cent stake in Anglo – thereby breaching the 30 per cent limit.

But news of Sir James' arrival immediately pushed Anglo's shares well beyond the 250p offer price . Yesterday, Anglo shares were trading at 450p.

Edelman admits to not having funds to bid for Storehouse

By Maggie Urry

MR ASHER Edelman, the American arbitrageur, yesterday admitted his group of investors did not have the funds to mount a bid for Storehouse, the retail company in which he has built a 7.8 per cent stake.

Mr Michael Julien, chief executive of Storehouse, riposted, "if he cannot put up the money to bid, he should shut up."

Mr Edelman issued a statement at the request of the Takeover Panel following market rumours that he had assembled backers for a bid. Storehouse shares closed 1p lower at 183p.

In the statement Mr Edelman repeated his concern "about the poor performance of Storehouse management." He said he was reviewing "the options available to achieve enhanced performance and shareholder value."

One of the options being contemplated, he said, "is a bid for Storehouse, although no decision on this course of action will take place until the completion of further commercial research and assessment of the availability of funding."

He said if a bid was forthcoming, the Edelman group "would be working with an important international retailer who is capable of introducing a new approach." Mr Edelman's advisers, BZW, said it could not reveal the identity of this retailer.

Mr Julien said his reaction to the statement was one of "incredulity". He particularly questioned why Mr Edelman needed more time for research when in January he had written to Storehouse saying that he had conducted months of in-depth research into Storehouse.

Mr Edelman began buying shares in Storehouse late last year and twice wrote to the directors suggesting ways in which he believed shareholder value could be enhanced. Storehouse has repeatedly spurned his advances.

Meanwhile, Storehouse has announced a series of disposals largely ridding the group of debt.

It warned of a sharp fall in profits for the year just ended and made a £48m exceptional "deck-clearing" write-off.

ABE buys data equipment maker

By John Ridding

AB ELECTRONIC Products is to make an agreed bid for Tandata, a manufacturer of data communication equipment in which it already has a 10 per cent stake.

The deal includes payments linked to the achievement of sales targets for Tantel, a domestic videotex terminal under development at Tandata. It values Tandata at up to £5.28m.

AB said it wanted Tandata because of its videotex and other communications products and its research and development skills. Mr Peter Phillips, AB chairman, said Tandata would provide a useful addition to the company's product range.

He added, "We have high hopes for the Tantel product which we believe we are well able to exploit effectively."

After the acquisition, AB intends to implement a rationalisation programme to cut Tandata's cost base. This will involve the closure of Tandata's facility at Malvern which AB intends to move to South Wales. AB said appropriate employees will be offered the opportunity to transfer.

In the year to the end of June 1988, Tandata made losses of £335,000 before a £685,000 exceptional write-off of intangible fixed assets. At the end of last year the company had audited net assets of £1.7m.

For the 90 per cent of Tandata it does not already own, AB is to pay up to £4.75m, composed of an initial cash payment of £1.41m and two further payments in loan notes linked to the performance of Tantel.

All but two of Tandata's directors will resign following the acquisition.

Management team buys Streets

By Ray Bashford

ADDISON Consultancy has sold Streets, its financial public relations subsidiary, to a management team for £1m.

The sale comes amid uncertainty about the future of Addison which grew on Thursday when Motivaction, a private French market research group, acquired a 14.7 per cent stake in the company which also has market research and design operations.

Addison directors confirmed that a takeover approach, believed to have been made by MAI, the financial services and advertising group, about two weeks ago was being "seriously considered".

Taylor Nelson, Addison's market research arm is the attraction to MAI and as well as two directors of Addison's main board who are arguing for it to become an independent, quoted company with Motivaction as a significant shareholder and joint venture partner.

The disposal of Streets is expected to be followed by a management buy-out for the design company.

Streets returned a loss before tax of £800,000 during 1988, contributing to a decline in the group'a performance.

All 16 executive and non-executive directors are participating in the buy-out, which is being backed by CIN Ventures, a venture capital company jointly owned by the British Rail Pension Fund and the National Coal Board Pension Fund.

US group raises Henderson Administration holding

USF&G Corporation, one the largest property and casualty insurers in the US, has increased its holding in Henderson Administration, the UK fund management group, by 4.72 per cent, taking its holding to 13.13 per cent, writes Nikki Tait

However, Henderson - which has been subject to bid rumours for some time - said thet it welcomed this latest increase. It added that, although continuing to believe in the importance of its independence, it "looked forward to developing further business opportunities with them over the coming years."

The number of independent fund management groups has been dwindling recently, and bid speculation at Henderson has been fuelled by stake build-ups.

Avdel beats forecast with £12m profit

By Nikki Tait

Avdel, the UK fastenings group which was finally acquired by US conglomerate Textron following a fierce battle with a rival bidder Banner Industries, yesterday announced pre-tax profits of £12m in 1988, compared with £9.1m in the previous year.

Sales were £80.4m (£76.3m), and earnings per share on a net basis were 6.1p (4.3p). On a nil basis, the figure is 4.9p (4.5p)

The figures come out slightly in excess of the forecast made by Avdel during its tussle with Banner. At the time, it suggested profits of £11.75m.

Completion of the Textron deal, however, has been held up by the intervention of the Federal Trade Commission, and the hearing of this case is now set for January 1990.

In the meantime, Avdel is in the highly unusual position of continuing to run the company without any reference to, or contact with its new owner. Chief executive, Mr John Marley, denies that this is inhibiting the business in any way.

BP lifts salaries

British Petroleum lifted the total salary bill for directors from £1.7m to to £2.6m last year, according to the annual report. Sir Peter Walters, the chairman, received the biggest increase. His salary increased from £347,212 to £514,558.

Rothmans to buy control of Tabacofina

By Clay Harris

Rothmans International, the cigarettes and luxury consumer goods group, intends to buy out the 40 per cent minority in Tabacofina, its publicly quoted Belgian subsidiary.

Mr David Montagu, executive deputy chairman, said the Belgian company was the last European subsidiary over which Rothmans did not have 100 per cent control, which it needed for operational flexibility in the run-up to 1992.

In the six months to September 30 1988, Tabacofina reported consolidated net income of BFr440m (£6.6m), a 17 per cent decline from the figure reported in the same period of 1987.

Its shares were suspended yesterday to allow negotiations between the two companies to proceed. Another announcement is expected by next Friday. At Thursday night's closing price of BFr12,525, Tabacofina has a market value of about £74m.

Dwyer calls for £12.8m

Dwyer, the fast-expanding property group, has paid £8.2m for a portfolio of 19 properties, all located in Scotland.

The group is also seeking to raise £12.8m before expenses via an issue of 7.25 per cent convertible £1 preference shares at 100p on the basis of one new pref share for each ordinary held.

The issue, convertible between 1999 and 2003 and subject to shareholders' approval, is being fully underwritten by stockbrokers Phillips & Drew.

Mr Desmond Bloom, chairman, said the cash call would strengthen Dwyer's asset base with the proceeds primarily being used to reduce the borrowings incurred to finance the property acquisition.

Terms of the conversion are 39 new ordinary shares for every £100 of preference held, equivalent to a conversion price of 257p.

Initial rental income from the Scottish properties is £903,940 per annum, giving a starting yield of 11.02 per cent.

DIVIDENDS ANNOUNCED

Avdel	fin	nil	-	1	0.6	1.5
Coates Bros	fin	5.8	July 3	5.5	8.2	7.7
Goal Petroleum	fin	1†	-	1	1	1
Norish	fin	7.8§†	-	7.3	11	10.5
Record Hldgs ‡‡	fin	2.34	May 31	0.67	3	0.67
H Young Hldgs	int	2	May 24	1.4	-	4.4
Ipeco Holdings	fin	1	-	1	1.5	2

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. §USM stock. §§Unquoted stock. ¶Third market.‡‡ Shares placed in October 1987. ¶Irish currency throughout.

LONDON RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. date	1989 High	1989 Low	Stock	Closing Price p	+ or -	Net Div.	Times Cov'd	Gross Yield	P.E. Ratio
§155	F.P.	-	171	155	Assoc. British Castls 20p	166		R5.25	2.7	4.2	10.2
§135	F.P.	-	148	138	Davenport Vernon 10p	138		u3.25	2.4	5.1	8.3
-	F.P.	-	58	33	Greenfriar Inv Wnts	56		-	-	-	-
†	F.P.	-	100	70	¶Hoskins Brewery 50p	85	-5	-	-	-	-
§97	F.P.	-	49	40	¶Malaga Group 10p	48	+2	b2.0	3.7	5.6	6.6
§52	F.P.	-	78	52	[illegible] 5p	74		b2.0	2.4	3.6	19.1
19	F.P.	-	80	49	MR & V Min. Systs. NV 5c	75		R2.3c	9.1	0.9	12.7
-	F.P.	-	165	145	Ross Catherall 10p	160		R4.45	2.9		
§185	F.P.	-	215	195	Wood (Graham)	215		R7.7	2.6	4.9	7.9

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1989 High	1989 Low	Stock	Closing Price £	+ or -
§m.5	L.P.	3/4	98¼	97.2	Allied-Lyons 9¼pc Deb 2019	97¼	-¼
110p	F.P.	-	112p	105p	Brown & Jackson 10½pc Cv. Cm. Pf.	105p	-1
101½p	F.P.	-	101½p	100½p	C.H. Industrial 9½pc Cm. Rd. Pf. £1	100½p	
‡	Nil	-	110pm	57pm	Enterprise Fla. '89 Units Var. Call	76pm	+9
101p	F.P.	-	103½p	101½p	Eng. & Int'l. Tst. 8¾pc Cm. Pf	102½p	
100	F.P.	-	109½	107¼	First Scott. American 11½pc Db 2016	107¼	
100p	F.P.	-	99¾	98⅛	Greenall Whitley 10pc Deb 2014	98⅛	
103.57	F.P.	-	103½	102⅝	LETINVEST 10¼-11¼pc Stepd Db 2012	102⅝	-⅛
-	F.P.	-	100	99⅛	N'wide Anglia 12½pc 26.2	99⅛	
..	F.P.	-	100	99⅛	Do. 12⅝pc 19.3.90	99⅛	
§99.1	£25	-	27½	25	Do. 4.25pc Index-Linked 2024	27½	
100p	F.P.	-	121p	105p	Sidlaw Grp. 8.5p (Net) Cv Cm Rd Pf	121p	
‡	F.P.	-	145½	134	Smurfit (J.) 9½pc Cv. Uns. Ln. Nts.	139½	+2
92.52	£30	-	30⅛	29⅞	Taylor Woodrow 9½pc 1st Mtg Db 2014	29⅞	
97.10	£30	-	30¼	28¾	Tops Ests. 10¾pc 1st Mtg Db 2011/16	28¾	

RIGHTS OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1989 High	1989 Low	Stock	Closing Price p	+ or -
20	Nil	-	41pm	33pm	§Camas Group 5p	40pm	
45	Nil	-	3pm	1pm	Culleus Hldgs.	1½pm	+½
160	Nil	-	22pm	19½pm	Fenner (J.H.)	21pm	+1
76	Nil	-	7pm	5pm	Hazlewood Homecare	6pm	
375	Nil	-	92pm	60pm	LASMO	61pm	
100	Nil	-	44pm	25pm	Noble Raredon	30pm	
160	Nil	-	13pm	8pm	Parkdale Hldgs 10p	11pm	
S	Nil	-	5½pm	4½pm	Platignum	4½pm	
¥100	Nil	-	70pm	65pm	Power Corp. Ir10p	67pm	-3
250	Nil	-	35pm	24pm	Tibbett & Britten 5p	33pm	
47	Nil	-	23pm	16pm	Worthington (A.J.) 10p	20pm	+4

‡ Annualised dividend. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. g Assumed dividend and yield. s Dividend and yield exclude special payment. u Forecast, or estimated annualised dividend rate, cover based on previous year's earnings. L Estimated annualised dividend, cover and p/e based on latest annual earnings. M Dividend and yield based on Prospectus or other official estimates for 1989. N Dividend and yield based on prospectus or other official estimates for 1989/90. Q Gross. R Forecast annualised dividend, cover and p/e ratio based on prospectus or other official estimates. W Pro Forma figures. ¥ Issued by tender. ‡ Offered to holders of ordinary shares as a "rights". † Introduction. ¶ Placing price. †† Reintroduction. ‡ Issued in connection with reorganisation merger or takeover. ‖ Allotment price. § Unlisted securities market. ‡ Official London listing. □ Including warrants entitlement. * Third Market.

TRADITIONAL OPTIONS

● First Dealings	Mar 20
● Last Dealings	Apr 7
● Last Declarations	Jun 29
● For settlement	Jul 10

For rate indications see end of London Share Service

Calls in INOCO, Platignum, Cowie T, Racal,Eagle Trst, AD Eng, Cons Tern, Dares Est.

French purchase boosts Coates to £34m

By John Ridding

THE ACQUISITION of Lorilleux International, the French inks manufacturer, boosted pre-tax profits at Coates Brothers, maker of inks and resins, to £34.3m last year, a 57 per cent increase over 1987.

Turnover grew by 64.8 per cent to £345m but earnings per share rose only 5.2 per cent to 32.3p. A final dividend of 5.8p has been proposed giving a total of 8.2p (7.4p).

Coates has adjusted last year's earnings per share and dividend downwards from 31.95p and 7.7p respectively to reflect the share issue of February 1988 which formed part of the deal to acquire Lorilleux.

The profits improvement was achieved despite a £1.5m adverse exchange rate effect resulting from the strength of sterling.

Mr John Youngman, chairman and chief executive, said that a substantial part of the increased business was due to the consolidation of Lorilleux. But he said no detailed breakdown could be given because of the ongoing amalgamation of the two printing ink businesses.

The impact of the acquisition is, however, evident in the divisional breakdown. Printing inks and related supplies increased turnover by 88 per cent to £249m and their share of total operating profits from 54 per cent to 68 per cent.

The synthetic resins division also performed well, increasing operating profits by 16 per cent to £11.48m. The improvement was based on higher UK turnover and benefits from ASI, the US electrographics company which was acquired at the end of 1987.

During the year Coates suffered increased pressure on margins. This reflected the increased costs of chemical inputs and difficulties in passing on price increases, particularly in the second half.

At the end of the year borrowings stood at £37m, almost double the figure for 1987. This reflected the taking on of Lorilleux's debt. Gearing, however, at 22 per cent, was up by only 2 percentage points. For 1989, capital expenditure of £20m (£9m) has been approved, including an investment of more than £2m in a newspaper ink plant.

● COMMENT

Whereas in 1988 Coates enjoyed the initial impact of its acquisition, this year will be dominated by the costly process of integration. The emphasis has been put squarely on reorganisation, rationalisation and investment which, while implying significant longer term benefits, suggests distinctly unexciting numbers in 1989. In addition, the raised investment expenditure will bring up to £2m more in interest charges. Margins will remain tight although certain input prices may ease slightly and there is the big question mark concerning the impact of higher interest rates both in the UK and in continental Europe. Such factors warrant caution and explain analysts' forecasts of £36m for the current year. This puts the shares on a prospective multiple of 9 and with Lorilleux's former owners, rather than John Spalvins, now holding 40 per cent there is not even bid speculation to attract investors looking for quick returns.

MARKET STATISTICS

ECONOMIC DIARY

TODAY: Mrs Margaret Thatcher, Prime Minister, is expected to visit Namibia. Poll tax introduced in Scotland. Green Party spring conference opens in London. Japan introduces three per cent value added tax. Iraquis go to the polls to elect a 250-seat national assembly.

TOMORROW: Mr Mikhail Gorbachev, Soviet leader, pays first visit to Cuba (until April 4). Parliamentary and presidential elections in Tunisia. Yugoslavia's liberal Slovenia republic holds referendum to choose representatives for Yugoslav collective state presidency.

MONDAY: Retail sales (February-final). Credit business (February). US construction spending figures (February). Group of Seven/International Monetary Fund meeting in Washington. Italy's consumer prices figures (March). Polish government and opposition sign social contract at closing session of talks on political, social and economic reforms. The Bar's 5,900 barristers are now able to accept work from some professional bodies without using a solicitor as a go-between. Mr Jean Pierre Chevenement, French defence minister, visits Moscow (until April 8). Parliamentary conference in Harare in support of an independant Namibia; delegates from southern Africa, western Europe and Namibia. Mr Kenneth Clarke, Health Secretary, at Royal College of Nursing annual congress in Blackpool.

TUESDAY: UK official reserves (March). Capital issues and redemptions (March). West German unemployment (March) and trade figures (February). CBI Conferences and Direct Market Centre hold conference "Agenda for change" at Centre Point, London. High Court sitting to approve the final stages of the merger between MB's Metalbox Packaging and Carnaud of France. Royal Society of Chemistry annual chemical congress in Hull.

WEDNESDAY: Advance energy statistics (February). Detailed analysis of employment, unemployment, earnings, prices and other indicators. West German consumer prices (March), industrial production (February) and manufacturing new orders (February). French money supply figures (February). GATT meeting in Geneva (until April 7). Mr Mikhail Gorbachev starts visit to London (until April 7).

THURSDAY: African finance ministers meet in Addis Ababa. Cypriot and Turkish leaders discuss results of talks on reuniting the island at the United Nations.

FRIDAY: Finished steel consumption and stock changes (fourth quarter final). Housing starts and completions (February). US unemployment figures (March).

EUROPEAN OPTIONS EXCHANGE

Series		May 89 Vol	May 89 Last	Aug. 89 Vol	Aug. 89 Last	Nov. 89 Vol	Nov. 89 Last	Stock
Gold C	$ 390	1272	7.20	140	16	–	–	$ 383.60
Gold C	$ 400	63	3.30	171	12 b	–	–	$ 383.60
Gold C	$ 420	216	1	2	6	65	12	$ 383.60
Gold C	$ 440	565	0.60	17	2.80	–	–	$ 383.60
Gold C	$ 460	28	0.10	–	–	–	–	$ 383.60

		Apr. 89 Vol	Apr. 89 Last	May 89 Vol	May 89 Last	Jun. 89 Vol	Jun. 89 Last	Stock
EOE Index C	Fl. 260	34	19	15	16.20	–	–	Fl. 280.12
EOE Index C	Fl. 265	96	14.20	2	12	10	14	Fl. 280.12
EOE Index C	Fl. 270	878	9.70	55	9	–	–	Fl. 280.12
EOE Index C	Fl. 275	906	6.10	107	6.10	–	–	Fl. 280.12
EOE Index C	Fl. 280	455	3.40	280	3.90	–	–	Fl. 280.12
EOE Index C	Fl. 285	465	1.80	35	2.50	15	4	Fl. 280.12
EOE Index C	Fl. 290	10	0.70	60	1.60	–	–	Fl. 280.12
EOE Index P	Fl. 265	159	0.60	31	2.30	–	–	Fl. 280.12
EOE Index P	Fl. 270	389	1.20	49	4.20	10	6.30	Fl. 280.12
EOE Index P	Fl. 275	413	2.50	32	6.20	–	–	Fl. 280.12
EOE Index P	Fl. 280	82	4.60	22	9.40 a	–	–	Fl. 280.12
EOE Index P	Fl. 285	30	7.60	–	–	–	–	Fl. 280.12
EOE Index P	Fl. 290	170	12.10	–	–	–	–	Fl. 280.12
S/Fl C	Fl. 210	49	3.70	2	4.10	117	4.50	Fl. 213.68
S/Fl C	Fl. 215	10	1	6	1.70	177	2.30	Fl. 213.68
S/Fl P	Fl. 205	–	–	18	0.80	35	1.10	Fl. 213.68
S/Fl P	Fl. 210	60	1	43	2	16	2.80	Fl. 213.68

		Apr. 89 Vol	Apr. 89 Last	Jul. 89 Vol	Jul. 89 Last	Oct. 89 Vol	Oct. 89 Last	Stock
ABN C	Fl. 40	107	1.80	45	2.50	259	3	Fl. 41.40
ABN P	Fl. 45	30	3.60	146	4.30	21	5.30	Fl. 41.40
Aegon C	Fl. 90	38	3.60	24	5.20	11	5.80	Fl. 92.50
Ahold C	Fl. 95	45	7.50	5	9.50	3	10.20	Fl. 102.60
Ahold P	Fl. 110	–	–	100	8.50	–	–	Fl. 102.60
Akzo C	Fl. 150	449	2.10	171	4.40	0	7.50	Fl. 149
Akzo P	Fl. 150	70	2.80	186	7.80	7	8.50	Fl. 149
Amev C	Fl. 50	307	3.50	161	4	61	4.80	Fl. 52.30
Amev P	Fl. 50	5	0.60 a	32	2	7	3	Fl. 52.30
Amro C	Fl. 80	52	1.90	55	3	–	–	Fl. 81
Amro P	Fl. 80	153	2	229	3.20	–	–	Fl. 81
BUHRMANN-T C	Fl. 65	127	1.80 b	156	2.70	10	4	Fl. 65.70
N.V. DSM C	Fl. 125	–	–	4	3.10	306	5.30	Fl. 121
N.V. DSM P	Fl. 115	–	–	–	–	255	2	Fl. 121
Elsevier C	Fl. 70	–	–	76	1.10	–	–	Fl. 65
Elsevier P	Fl. 65	–	–	52	2.60	10	3.50	Fl. 65
Gist-Broc. C	Fl. 40	58	0.20	28	1.10 a	73	2.20	Fl. 37
Heineken C	Fl. 150	2	2	45	4.50	3	7	Fl. 147.70
Heineken P	Fl. 140	50	0.50	–	–	–	–	Fl. 147.70
Hoogovens C	Fl. 90	1257	3.80	795	5.90	160	0	Fl. 92
Hoogovens P	Fl. 80	365	0.20	73	1.50	–	–	Fl. 92
KLM C	Fl. 40	149	4.30	10	5.70	20	6.10	Fl. 43.90
KNP C	Fl. 55	247	0.60 a	631	1.80	147	2.90	Fl. 53.50
KNP P	Fl. 55	325	3.20	57	4	–	–	Fl. 53.50
NEDLLOYD C	Fl. 350	5	3	197	16.10	5	19	Fl. 333.70
NEDLLOYD P	Fl. 320	157	3.40	5	14.50	–	–	Fl. 333.70
Nat. Ned. C	Fl. 66	644	0.90	215	2.30 a	165	3.10	Fl. 63.90
Nat. Ned. P	Fl. 66	153	1.80	194	3.50	18	4.70	Fl. 63.90
Philips C	Fl. 40	461	0.40	166	1.60	216	2.30	Fl. 38.70
Philips P	Fl. 35	85	0.30	27	0.90	0	1.50	Fl. 38.70
Royal Dutch C	Fl. 130	369	3.60	313	5.10	79	6.60	Fl. 133.10
Royal Dutch P	Fl. 130	146	0.90	80	4.20	258	6.20	Fl. 133.10
Unilever C	Fl. 120	286	11	5	11.80	1	13.30	Fl. 130.80
Unilever P	Fl. 130	174	1.50	36	5	–	–	Fl. 130.80
Van Ommeren C	Fl. 35	37	9.20	130	9.50	10	9.20	Fl. 43.80
Van Ommeren P	Fl. 40	200	0.50	26	1.80	4	2.20	Fl. 43.80

TOTAL VOLUME IN CONTRACTS : 42,275

A=Ask B=Bid C=Call P=Put

BANK RETURN

BANKING DEPARTMENT	Wednesday March 29, 1989		Increase or decrease for week
LIABILITIES	£		£
Capital	14,553,000		
Public Deposits	101,960,357	-	848,533
Bankers Deposits	1,300,102,999	+	134,943,359
Reserve and other Accounts	1,840,295,575	+	9,848,083
	3,256,911,931	+	143,942,909
ASSETS			
Government Securities	818,474,906	+	14,833,946
Advance and other Accounts	632,136,367	-	142,731,980
Premises Equipment & other Secs	1,801,226,223	+	276,387,676
Notes	4,839,480	-	4,349,952
Coin	235,955	+	3,199
	3,256,911,931	+	143,942,909
ISSUE DEPARTMENT			
LIABILITIES			
Notes in circulation	14,875,160,520	+	104,349,952
Notes in Banking Department	*4,839,480*	-	*4,349,952*
	14,880,000,000	+	100,000,000
ASSETS			
Government Debt	11,015,100		
Other Government Securities	12,277,411,363	+	1,205,998,158
Other Securities	2,591,573,537	-	1,105,998,158
	14,880,000,000	+	100,000,000

BASE LENDING RATES

	%		%		%
ABN Bank	13	Clydesdale Bank	13	NatWestminster	13
Adam & Company	13	Comm Bk N East	13	Northern Bank Ltd	13
AAB - Allied Arab Bk	13	Co-operative Bank	*13	Norwich Gen. Trust	13
Allied Irish Bank	13	Coutts & Co	13	PRIVATbanken Limited	13
● Henry Ansbacher	13	Cyprus Popular Bk	13	Provincial Bank PLC	14
ANZ Banking Group	13	Dunbar Bank PLC	13	R. Raphael & Sons	13
Associates Cap Corp	12	Duncan Lawrie	13	Roxburghe G'rantee	13½
Authority Bank	13	Equatorial Bank plc	13	Royal Bk of Scotland	13
● B & C Merchant Bank	13	Exeter Trust Ltd	13½	Royal Trust Bank	13
Bank of Baroda	13	Financial & Gen. Bank	13	● Smith & Williamson Secs.	13
Banco Bilbao Vizcaya	13	First National Bank Plc.	14	Standard Chartered	13
Bank Hapoalim	13	● Robert Fleming & Co.	13	TSB	13
Bank Credit & Comm	13	Robert Fraser & Ptnrs.	13½	United Bk of Kuwait	13
Bank of Cyprus	13	Girobank	13	United Mizrahi Bank	13
Bank of Ireland	13	● Guinness Mahon	13	Unity Trust Bank Plc	13
Bank of India	13	HFC Bank plc	13	Western Trust	13
Bank of Scotland	13	● Hambros Bank	13	Westpac Bank Corp.	13
Banque Belge Ltd	13	Heritable & Gen Inv Bnk	13	Whiteaway Laidlaw	13½
Barclays Bank	13	● Hill Samuel	§13	Yorkshire Bank	13
Benchmark Bank PLC	13	C. Hoare & Co.	13		
Berliner Bank AG	13	Hongkong & Shangh	13		
Brit Bk of Mid East	13	● Leopold Joseph & Sons	13		
● Brown Shipley	13	Lloyds Bank	13		
Business Mtge Tst	13½	Meghraj Bank Ltd	13		
CL Bank Nederland	13	McDonnell Douglas Bnk	13		
Central Capital	13	Midland Bank	13		
● Charterhouse Bank	13	Mortgage Express Ltd.	§13.95		
Citibank NA	13	Mount Bnkg Corp.	13		
City Merchants Bank	13	Nat Bk. of Kuwait	13		

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FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Friday March 31 1989 Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (Act at (25%)	Est. P/E Ratio (Net)	xd adj. 1989 to date	Thu Mar 30 Index No.	Wed Mar 29 Index No.	Tue Mar 28 Index No.	Year ago (approx) Index No.	1989 High	1989 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (207)	949.94	+0.9	10.31	3.96	11.92	3.85	941.31	951.13	949.10	733.91	974.30 14/3	775.54 3/1	1038.07 16/7/87	50.71 13/12/74
2	Building Materials (29)	1197.78	+0.9	10.92	3.89	11.27	0.98	1187.02	1197.78	1194.60	997.24	1236.66 14/3	939.06 3/1	1381.00 16/7/87	44.27 11/12/74
3	Contracting, Construction (38)	1744.34	+0.3	11.94	3.77	10.96	4.49	1739.82	1760.71	1767.80	1536.88	1801.66 14/3	1468.31 5/1	1951.50 16/7/87	71.48 2/12/74
4	Electricals (10)	2793.33	+1.5	8.07	4.29	15.25	1.47	2751.87	2775.81	2779.63	1956.85	2890.24 14/3	2294.30 5/1	2890.24 14/3/89	84.71 25/6/62
5	Electronics (30)	2117.35	+1.1	8.91	3.16	14.54	12.07	2093.69	2122.83	2112.18	1460.81	2202.74 15/3	1776.44 5/1	2236.70 17/7/87	1229.01 8/10/85
6	Mechanical Engineering (54)	518.33	+0.9	10.15	3.95	12.03	1.15	505.83	511.97	513.07	383.42	518.41 14/5	406.34 5/1	544.57 14/10/87	45.43 5/1/75
8	Metals and Metal Forming (7)	539.15	+0.8	14.23	5.52	7.94	0.80	534.92	539.87	539.89	436.48	549.42 14/3	452.62 5/1	596.67 9/10/87	49.65 6/1/75
9	Motors (17)	310.36	+0.7	11.70	4.83	9.95	3.23	307.89	310.66	310.94	262.27	321.86 14/3	258.24 3/1	411.42 13/10/87	19.91 6/1/75
10	Other Industrial Materials (22)	1613.41	+1.1	9.11	4.18	13.05	4.62	1596.50	1606.08	1591.81	1213.51	1615.09 15/3	1311.63 3/1	1736.88 22/9/87	277.55 15/1/81
21	CONSUMER GROUP (186)	1171.61	+0.9	8.98	3.68	13.94	3.84	1161.21	1168.53	1168.67	1024.21	1207.48 14/3	1016.74 3/1	1406.32 16/7/87	61.41 13/12/74
22	Brewers and Distillers (22)	1277.11	+1.0	9.78	3.48	12.91	5.20	1264.10	1273.83	1276.70	1047.55	1364.69 14/3	1112.42 3/1	1364.69 14/3/89	69.47 13/12/74
25	Food Manufacturing (20)	1026.97	+1.1	9.29	3.96	13.42	5.62	1016.18	1023.37	1022.05	880.38	1069.06 8/2	926.84 5/1	1092.25 16/7/87	59.67 11/12/74
26	Food Retailing (15)	1994.35	+1.1	9.09	3.52	14.48	8.25	1971.72	1987.94	1983.96	2029.14	2118.38 3/2	1784.64 5/1	2649.96 16/7/87	54.25 11/12/74
27	Health and Household (14)	2175.54	+1.3	6.52	2.66	17.55	0.59	2148.12	2163.87	2155.40	1765.77	2195.38 14/3	1778.20 3/1	2699.85 16/7/87	175.38 28/5/80
29	Leisure (33)	1621.18	+1.2	7.46	3.29	16.87	12.33	1602.18	1615.88	1624.12	1239.95	1661.09 15/3	1346.22 3/1	1661.09 15/3/89	54.83 9/1/75
31	Packaging & Paper (16)	596.16	+0.5	9.89	4.03	12.35	1.24	592.95	592.92	590.75	485.38	607.36 8/2	523.08 5/1	759.48 16/7/87	43.46 6/1/75
32	Publishing & Printing (18)	3687.96	+0.1	8.57	4.29	14.61	3.92	3684.34	3684.32	3687.27	3329.02	3916.24 8/2	3236.76 4/1	5070.66 5/10/87	55.08 6/1/75
34	Stores (33)	761.49	+0.2	11.43	4.60	11.47	1.64	760.09	763.80	765.67	800.17	806.72 8/2	679.97 3/1	1160.58 29/7/87	52.63 6/1/75
35	Textiles (15)	510.92	+0.9	11.96	5.41	10.15	0.25	514.15	516.76	515.72	559.35	533.82 8/2	464.58 0/0	914.52 2/10/87	62.66 11/12/74
40	OTHER GROUPS (94)	1073.47	+1.6	10.07	4.19	12.10	4.23	1056.32	1064.26	1064.30	851.17	1104.67 14/3	896.15 3/1	1192.40 8/10/87	58.63 6/1/75
41	Agencies (18)	1270.67	+1.9	8.39	2.67	15.26	10.61	1247.49	1251.34	1247.38	1105.20	1337.13 7/3	1030.84 3/1	1795.57 17/7/87	870.35 4/12/87
42	Chemicals (22)	1215.67	+0.8	10.98	4.83	10.94	18.67	1206.11	1216.17	1218.65	979.57	1235.01 8/2	1026.37 5/1	1545.46 5/10/87	71.20 1/12/74
43	Conglomerates (11)	1513.11	+0.9	10.09	4.84	11.45	4.27	1499.35	1507.70	1505.96	1125.99	1547.26 14/3	1254.94 3/1	1547.26 14/3/89	975.19 10/11/87
45	Transport (13)	2364.38	+1.3	8.40	3.61	15.27	0.00	2335.19	2348.01	2352.62	1881.83	2454.48 14/3	1836.25 4/1	2497.85 16/7/87	90.80 29/6/62
47	Telephone Networks (2)	1122.94	+2.8	10.46	4.18	12.43	0.00	1091.88	1306.45	1312.20	932.82	1176.89 14/3	1002.43 3/1	1274.14 9/6/87	517.92 30/11/84
48	Miscellaneous (28)	1507.57	+1.5	10.37	3.91	10.98	0.92	1484.92	1489.38	1476.36	1115.25	1537.15 14/3	1183.56 5/1	1773.70 5/10/87	60.39 6/1/75
49	INDUSTRIAL GROUP (487)	1108.75	+1.1	9.66	5.30	12.78	3.82	1096.64	1105.22	1104.64	912.15	1140.64 14/3	935.74 5/1	1268.86 16/7/87	59.01 13/12/74
51	Oil & Gas (13)	1978.99	+1.5	9.69	5.62	13.22	40.19	1953.69	1997.88	1998.97	1768.78	2020.43 16/3	1725.48 0/0	2458.68 16/7/87	87.23 29/5/62
59	500 SHARE INDEX (500)	1182.72	+1.1	9.67	4.12	12.84	6.72	1169.52	1180.90	1180.44	984.40	1212.20 14/3	1002.81 3/1	1369.88 16/7/87	63.49 13/12/74
61	FINANCIAL GROUP (124)	747.06	+0.6	–	5.03	–	8.33	742.62	749.63	751.33	657.73	776.56 8/2	670.86 3/1	896.67 13/10/87	55.88 13/12/74
62	Banks (8)	729.72	+0.0	23.37	6.52	5.63	18.41	723.79	733.42	734.33	641.79	788.44 8/2	657.74 3/1	898.38 16/7/87	62.44 12/12/74
65	Insurance (Life) (8)	1104.91	+0.4	–	5.31	–	0.00	1100.41	1118.69	1120.98	958.03	1121.53 23/3	933.96 5/1	1285.72 9/10/87	44.88 2/1/75
66	Insurance (Composite) (7)	598.01	+1.0	–	5.36	–	6.70	592.24	595.23	596.69	513.38	611.64 8/2	528.72 5/1	707.58 13/10/87	43.96 13/12/74
67	Insurance (Brokers) (7)	963.03	+0.1	8.77	6.55	15.21	15.60	961.92	966.04	972.29	836.84	1071.22 8/2	916.68 3/1	1399.56 17/7/87	65.86 16/12/74
68	Merchant Banks (11)	333.91	+0.4	–	4.49	–	0.50	332.78	333.89	333.82	337.68	554.66 15/2	318.05 3/1	547.59 12/10/87	31.21 7/1/75
69	Property (53)	1326.62	+0.4	5.58	2.60	22.00	1.96	1321.00	1331.29	1335.07	1187.58	1352.49 14/3	1198.13 3/1	1374.86 16/7/87	56.01 20/4/65
70	Other Financial (30)	372.59	+0.1	9.71	5.56	12.94	1.92	372.23	373.15	374.00	384.67	391.49 8/2	342.99 3/1	603.48 16/7/87	33.29 17/12/74
71	Investment Trusts (73)	1093.56	+0.8	–	2.87	–	6.18	1085.29	1088.34	1089.46	947.73	1117.05 14/3	922.04 3/1	1207.90 5/10/87	71.12 13/12/74
81	Mining Finance (2)	653.25	+0.7	8.87	3.67	12.45	2.50	648.78	645.91	643.70	432.96	686.92 13/3	561.50 3/1	727.93 3/10/87	66.31 30/9/74
91	Overseas Traders (8)	1407.35	+0.4	8.37	4.75	13.95	15.65	1401.57	1408.78	1404.53	978.44	1439.44 10/2	1273.76 3/1	1447.77 7/10/88	97.37 6/1/75
99	ALL-SHARE INDEX (707)	1076.15	+1.0	–	4.22	–	7.02	1065.26	1075.03	1075.01	896.75	1101.68 14/3	921.22 5/1	1238.57 16/7/87	61.92 13/12/74

	Index No.	Day's Change	Day's High (a)	Day's Low (b)	Mar 30	Mar 29	Mar 28	Mar 23	Mar 22	Year ago	1989 High	1989 Low	Since Compilation High	Since Compilation Low
FT-SE 100 SHARE INDEX‡	2075.0	+25.6	2075.1	2055.4	2049.4	2071.7	2070.5	2057.8	2048.6	1742.5	2125.4 14/3	1782.8 5/1	2443.4 16/7/87	986.9 23/7/84

FIXED INTEREST

	PRICE INDICES	Fri Mar 31	Day's change %	Thu Mar 30	xd adj. today	xd adj. 1989 to date
	British Government					
1	5 years	127.80	+0.09	127.90	0.20	3.57
2	5-15 years	134.61	+0.05	134.53	–	2.89
3	Over 15 years	145.85	+0.01	145.84	–	4.56
4	Irredeemables	172.90	–0.09	173.07	–	1.51
5	All stocks	131.88	+0.06	131.88	0.07	3.36
	Index-Linked					
6	5 years	132.68	+0.02	132.66	–	1.36
7	Over 5 years	133.92	+0.01	133.90	–	0.95
8	All stocks	133.74	+0.01	133.73	–	0.95
9	Debentures & Loans	117.52	–0.04	117.63	0.06	2.20
10	Preference	89.39	–0.15	89.53	–	1.32

	AVERAGE GROSS REDEMPTION YIELDS		Fri Mar 31	Thu Mar 30	Year ago (approx.)	1989 High	1989 Low
	British Government						
1	Low	5 years	9.52	9.50	8.56	10.39 30/12	8.88 9/2
2	Coupons	15 years	9.12	9.11	8.94	9.54 30/12	8.77 9/2
3		25 years	0.97	0.96	8.84	9.10 30/12	0.73 16/2
4	Medium	5 years	10.54	10.54	8.90	10.68 6/1	9.96 8/2
5	Coupons	15 years	9.58	9.58	9.13	9.76 30/12	9.21 8/2
6		25 years	9.15	9.14	9.00	9.35 30/12	8.85 17/2
7	High	5 years	10.67	10.67	9.08	10.93 5/1	10.13 8/2
8	Coupons	15 years	9.01	9.00	9.27	9.89 5/1	9.41 8/2
9		25 years	9.34	9.35	9.03	9.39 30/12	8.99 27/1
10	Irredeemables†		8.94	0.93	8.82	9.06 5/1	0.68 15/3
	Index-Linked						
11	Inflation rate 5%	5yrs.	3.56	3.54	2.10	3.87 4/1	3.24 9/3
12	Inflation rate 5%	Over 5 yrs.	3.52	3.52	3.76	3.79 3/1	3.44 13/3
13	Inflation rate 10%	5 yrs.	2.66	2.63	1.27	2.76 15/2	2.11 24/1
14	Inflation rate 10%	Over 5 yrs.	3.35	3.35	3.60	3.62 3/1	3.28 13/3
15	Debs &	5 years	12.25	11.95	10.80	12.25 31/3	11.47 30/12
16	Loans	15 years	11.43	11.41	10.65	11.44 29/3	11.19 1/2
17		25 years	10.82	10.87	10.65	11.03 25/1	10.66 27/2
18	Preference†		10.07	10.05	10.46	10.43 30/12	10.00 17/3

‡Opening Index 2055.4; 10 am 2061.8; 11 am 2060.5; Noon 2061.6; 1 pm 2065.7; 2 pm 2067.3; 3 pm 2069.4; 4 pm 2073.5; 4.05 pm 2073.6 (a) 3.43pm (b) 9.00am

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Agencies	31/12/86	1114.07	Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Conglomerates	*31/12/86*	*1114.07*	*Mechanical Engineering*	*31/12/71*	*153.84*	*All Other*	*10/4/62*	*100.00*
Telephone Networks	30/11/84	517.92	Industrial Group	31/12/70	128.20	British Government	31/12/75	100.00
Electronics	30/12/83	1646.65	Other Financial	31/12/70	128.06	Do. Index-linked	30/4/82	100.00
Other Industrial Materials	31/12/80	287.41	Food Manufacturing	29/12/67	114.13	Debs & Loans	31/12/77	100.00
Health/Household Products	30/12/77	261.77	Food Retailing	29/12/67	114.13	Preference	31/12/77	76.72
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67	FT-SE 100 Index	30/12/83	1000.00

† Flat yield. A list of constituents is available from the Publishers, The Financial Times, Number One, Southwark Bridge, London SE1 9HL, price 15p, by post 32p. CONSTITUENT CHANGES: King & Shaxon Holdings (70) and G.T. Management (70) have been deleted. RECLASSIFICATIONS: Evered Holdings (6) has moved to group (2). Whatman Reeve Angel (31) has moved to group (27).

INTERNATIONAL COMPANIES AND FINANCE

Investor offers $2.6bn for Northwest Airlines group

By **Roderick Oram** in New York

MR MARTIN DAVIS, the Beverly Hills investor, has launched a conditional $2.6bn takeover offer for NWA. The bid capped week-long speculation about the future of the holding company for Northwest Airlines that has driven its stock price up by more than 30 per cent.

NWA, the biggest US carrier across the Pacific and the fourth largest domestic American airline, said it would review the unsolicited offer in due course. Its stock jumped $15⅞ to $83⅞ by late morning.

Shares of the St Paul, Minnesota, based-company were trading just above $60 before it announced earlier this week a group of investors with a 4.9 per cent stake said it was interested in taking it over. NWA, which immediately adopted a poison pill to bolster its defences, declined to disclose the group's identity.

Mr Davis, a former Denver oilman who made at least $325m selling Twentieth Century Fox Film to Mr Rupert Murdoch in 1985, said his group was a separate bidder with a 3 per cent stake. Wall Street analysts and NWA's unions believe there may be a third party preparing a bid.

Mr Davis's offer is open only until April 21 and contingent on a number of factors including arranging sufficient finance. Since his big profit from Fox, Mr Davis has failed in a number of efforts at a second large coup. Some analysts were wondering if his NWA bid was designed only to flush out the larger investment group.

NWA has a number of valuable assets including land in Tokyo worth an estimated $200m. But its profitable Pacific routes are partially overshadowed by its weaker domestic services. It gained the nickname Northworst after it suffered widespread labour and operational problems following its 1986 takeover of Republic Airlines.

Mr Steven Rothmeier, NWA's head since 1985, ranks a close second to Mr Frank Lorenzo of Texas Air as the airline chief executive least loved by his employees. A 42-year-old Vietnam veteran who came up through the finance ranks, he is considered autocratic, inflexible and lacking in marketing acumen.

- Mr Jay Pritzker, the Chicago investor whose family owns the Hyatt Hotel chain and diverse industrial assets, declined to comment yesterday on reports that he had bid for Eastern Airlines.

Mr Peter Ueberroth, the retiring US baseball commissioner, dropped his $464m offer after it said it was topped by a higher bid. Texas Air, parent of the bankrupt airline, declined to comment on its efforts to sell Eastern.

Fiat in deal with Mazda to sell Lancia cars in Japan

By **Alan Friedman** in Milan

ITALY'S Fiat group yesterday said it would begin selling Lancia car models in Japan from the start of next year.

The Turin-based company said it had reached a marketing agreement with Mazda, the Japanese motor concern, and that it expects to sell around 4,000 Lancia models in 1990 via Mazda's wholly owned Auto-Zam Japanese dealer network. The number of cars to be sold in Japan should rise to more than 10,000 a year within three years, Fiat said.

The company said yesterday that at present it sells close to 5,000 cars a year in Japan. Among the Lancia models to be highlighted in Japan will be the Y-10 mini-car and the Lancia Thema. Auto-Zam has 1,000 dealers in Japan.

Fiat said it has no plans to sell Mazda models in Italy. A bilateral Rome-Tokyo accord dating back to the 1950s and still in force restricts the number of Japanese cars that may be imported into Italy to 2,550 a year; a few thousand more are imported indirectly via other European countries.

The Fiat group has 60 per cent of the Italian car market, which last year saw the sale of around 2m cars. Japanese producers at present account for little more than 1.5 per cent of the Italian car market, against a Europe-wide market share of nearly 11 per cent.

The Fiat-Mazda deal follows an accord last October under which Fiat will sell three Alfa Rome models in the US via Chrysler dealerships. Fiat expects to sell 10,000 Alfa Romeos in the US this year.

Spanish oil group prices shares

By **Peter Bruce** in Madrid

REPSOL, the Spanish state-owned oil conglomerate due to begin a privatisation of 24 per cent of its equity on April 20, yesterday provisionally priced its shares at between Pta1,500 and Pta1,725, valuing the group between Pta450bn and Pta517.5bn ($4.42bn).

The bottom of the range is much lower than analysts had expected. The size of the flotation is bigger than expected too.

In addition to the 62m shares up for sale in Madrid and New York – where they will be quoted from May 11 – and being privately placed in Europe and Tokyo, Repsol said yesterday it planned to make 7m shares available at a discount to its employees and distributors.

The flotation, which will be one of the largest in the world this year, is being underwritten in the US by Goldman Sachs and Morgan Stanley, by Warburg Securities in Europe (except Spain) and by Nomura in Japan. Repsol itself, with 40 Spanish banks, is underwriting the 40m shares being offered in Spain.

The group has been advised by NM Rothschild and Banco Bilbao Vizcaya. Repsol said yesterday it expected to pay a dividend of Pta90 per share this year – including an interim payment in the last quarter of 1989, giving the stock a price-earnings ratio of between 8 and 9.3, well below average for the Spanish stock markets, which is about 12.

The company plans to make a final price for the shares on April 20 and they will be sold in Spain and abroad until May 6. Bids worth more than Pta40m would be vetted by the company, said Mr Oscar Fanjul, Repsol's chairman. He said he expected the offering to be oversubscribed.

BHP to pay more after nine-month advance

By **Our Financial Staff**

BHP, the Australian steel, minerals and petroleum group, plans to increase its dividend for the current year from 32 cents a share to 35 cents following a modest improvement in nine-month net profits.

The company, the biggest in Australia, said yesterday that net attributable earnings had risen from A$699m to A$742.8m US$609m) for the nine months ended February, with the third-quarter performance showing little change at A$219m, against A$219.9m.

BHP said the nine-month results mostly reflected an improved performance in the steel division, where net profits jumped to A$320.6m from A$112.4m before minority interests. Third-quarter steel profits were A$100.9m, up from A$12.2m in the same quarter of last year.

Turnover declined in both nine-month and third-quarter periods, mostly reflecting lower oil prices and the relative strength of the Australian dollar over most of the period. Turnover dipped from A$8.13bn to A$7.76bn for the nine months.

Minerals earnings were A$287.7m, against A$289m, for the nine months. Petroleum profits dipped to A$228m from A$299.5m. Corporate items and investments for the period swung round from a surplus of A$24.9m to a loss of A$68.3m.

Wagons-Lits lifts revenues

By **Our Financial Staff**

INTERNATIONALE des Wagons-Lits et du Tourisme, the Belgium-based travel and tourism group, reports that its consolidated sales rose 22 per cent last year to BFr80bn from 65.5bn ($1.86bn) in 1967.

Wagons-Lits also said earnings for the year were higher than in 1987 and that large exceptional capital gains were made during 1988. It did not give figures. Wagons-Lits posted consolidated net profit of BFr1.84bn in 1987.

In 1988, revenue rose in all four core activities. New activities, which include car rental, were also buoyant.

Consolidated revenue for restaurant operations, the largest sector, rose 18 per cent to BFr34.1bn from BFr28.8bn the previous year; revenue for hotel operations rose 13 per cent to BFr12.4bn from BFr11bn; revenue for tourism increased 20 per cent to BFr14.9bn from BFr12.4bn, and revenue for rail activities edged up 5 per cent to BFr10.9bn from BFr10.4bn.

NCNB $2.3bn bid for Atlanta bank

By **James Buchan** in New York

NCNB, the expansionist North Carolina banking group which has become a darling of Wall Street, is seeking to move aggressively into the fast-growing Atlanta market with an offer of some $2.3bn in stock for the Citizens and Southern bank group.

A successful deal would transform the banking market in the south-eastern US and create a wholly new type of US regional bank which will be fully as large as the banks of the money centres of New York, San Francisco, Los Angeles and Chicago. A combined NCNB/Citizens and Southern would have over $70bn in loans and other assets and would probably rank sixth in the industry, behind Security Pacific.

But success is not guaranteed. Citizens and Southern said yesterday that its board would meet on Monday to consider NCNB's "unsolicited" stock offer. But in a statement that betrayed little enthusiasm, it said that the offer "raises a number of serious questions of value and regulatory approval that have to be carefully evaluated."

An executive at a rival Atlanta bank said that holders might be won over by NCNB's prospects and accept its stock. "I'd say there's a 50-50 chance they'll get it," he said.

Citizens and Southern is regarded as a well-managed and valuable banking business, with $21bn in assets and 470 bank branches, mostly in Georgia, South Carolina and Florida. NCNB, based in provincial Charlotte, has long cast envious eyes at metropolitan Atlanta but was beaten in its brash attempt to buy the First Atlanta banking group in 1985.

The offer, which was delivered to Citizens and Southern directors on Thursday, will provide the Atlanta group's stockholders with 1.075 shares of NCNB for each share they own. At yesterday morning's price for NCNB of $35¼, down $1, the deal values Citizens and Southern at just under $38 a share or over $2.3bn. Citizens and Southern stock rose $8¾ to $35⅛ in the market yesterday morning.

The offer is seen by bankers and Wall Street as a brilliant piece of opportunism by Mr Hugh McColl, NCNB's chairman. By offering stock rather than cash to shareholders of the Atlanta group, NCNB can exploit investors' heady enthusiasm for its stock ever since it stepped in to buy the troubled First RepublicBank of Texas from the Federal Government last summer.

Since then, Wall Street has become convinced that the Dallas bank was not as sick as feared and the transaction was, in NCNB's words, a "stunning deal." "They've got a premium built into their stock because of Texas," said the Atlanta banker.

NCNB also revealed on that it had raised $300m in the debt market and Wall Street believes this will go to lifting its stake in First RepublicBank to nearly 50 per cent.

Asea Brown Boveri sees sharp profits rise

By **Andrew Fisher** in Frankfurt

FUTURE EARNINGS of Asea Brown Boveri are set to rise sharply as a result of the improved operating and financial efficiencies caused by the merger under which the Swiss-Swedish electrical engineering group was formed, Mr Percy Barnevik, president and chief executive, said yesterday.

The group also intends to increase business in North America and the Asian and Australasian countries considerably by the mid-1990s – 64 per cent of sales now come from Europe – so that these regions contribute half of turnover against less than 30 per cent at present.

"We are now moving forward," Mr Barnevik said when announcing ABB's results for 1988, the first full year since the formation of the Zurich-based concern by Sweden's Asea and Brown Boveri of Switzerland. "We expect 1989 to give us some visible fruits from all the efforts of 1988."

Net income last year was $386m, a return on equity of 12.5 per cent. Because of the high level of restructuring in the new group, no comparisons are available for 1987. Operating profits after depreciation were $854m, with significant contributions from power generation, transportation, environmental control, and financial services.

This year's earnings would be "well above" those of 1988. Asked to elaborate, Mr Barnevik indicated this would mean growth at a rate of more than 10 or 15 per cent. He declined to forecast turnover, which rose last year by 21 per cent to $17.8bn on the pro forma figure given at the time of the merger. The end-year order backlog was $15.9bn.

At the pre-tax level, group profits totalled $536m. This was after restructuring costs of $620m – of these, $270m related to plans for 1989 – which were almost fully offset by gains on asset sales. The tax bill was low at $127m, or 24 per cent, as a result of the group's use of tax limiting possibilities in its operating countries.

In 1989, said Mr Barnevik, capital spending would be higher than last year's $736m, though not dramatically. Spending on acquisitions, $544m in 1988, would also probably rise. So far this year, ABB has bought the steam turbine activities of West Germany's AEG, entered into a joint venture with Westinghouse of the US in the electricity sector, bought 40 per cent of British Railway Engineering, and agreed with Finmeccanica/Ansaldo on the restructuring of the Italian power generation industry.

Percy Barnevik: 'We are now moving forward'

Outlining its ambitions in the US, Mr Barnevik said that with cash of some $3.5bn, the group was well placed to expand there. "There is room for a couple of billion dollars of manoeuvring while still keeping a good cash position." Apart from electricity, he saw opportunities in automation, environmental equipment and transportation. North America should make up at least 25 per cent of total business in a few years against 15 per cent now.

Mr Barnevik described the progress of the merger to date as "very satisfying." Most key strategic and restructuring decisions had been taken, with some 3,500 profit centres now established in the group. From the $1.6bn cash flow from operations and divestments, last year's acquisitions had been financed and some $1bn of debt repaid.

The group is paying a net dividend of SFr100m (around $60m) to each of its two shareholders. One of these, Asea, said it was considering splitting its shares into two types, one to reflect its 50 per cent stake in ABB, the other to represent its still considerable non-ABB shareholdings.

Net earnings at Italtel fall by 20%

By **Alan Friedman** in Milan

ITALTEL, the Italian state-owned telecommunications equipment maker that is expected to announce shortly details of its alliance with American Telephone & Telegraph (AT&T), yesterday disclosed a 20 per cent drop in 1988 net profits to L96.9bn ($69.8m).

Italtel said the lower profit was due to a new policy of accelerated depreciation provisions and the allocation of funds for technological research. Had it not been for these provisions net profit would have risen to around L155bn from L121.1bn in 1987.

The telecommunications company said sales volume rose by 29 per cent last year, but a decline of around ten per cent in product prices resulted in an increase in revenues of just 15 per cent to nearly L1,700bn. Italtel's spending on research last year amounted to L195bn, which was a 6.6 per cent rise on the 1987 level, but amounted to 11.5 per cent of total turnover, against a 12.4 per cent ratio in 1987.

Aides to Mr Salvatore Randi, the managing director who took over following the death last August of Mrs Marisa Bellisario, are engaged in final technical and financial talks with officials from IRI-Stet, the company's state holding parent, and AT&T.

A formal Italtel-Stet-AT&T agreement, including shareholding swaps, is likely to be announced by the middle of May.

WORLD COMMODITIES PRICES

WEEKLY PRICE CHANGES

	Latest prices	Change on week	Year ago	High 1989	Low 1989
Gold per troy oz.	$383.75	-11.75	$456.25	$412.25	$380.25
Silver Per troy oz	341.3p	-11.65	359.10p	358.85p	327.45p
Aluminium 99.7% (cash)	$1952.5	-35	$2950	$2610	$1907.5
Copper Grade A (cash)	£1842.5	-63.5	£1356.5	£1982.5	£1634.0
Lead(cash)	£339	-9.75	£347.5	£392	£337
Nickel (cash)	$15400	-750	$19950	$19350	$15150
Zinc (cash)	$1692.5	-172.5	£567.75	$2107.5	$1637.5
Tin (cash)	£5607.5	+402.5	£3670	£5607.5	£4145
Cocoa Futures (May)	£827	+29	£921	£900	£798
Coffee Futures (May)	£1100	+21	£1129	£1270	£1076
Sugar (LDP Raw)	$295.2	+13.8	$235.4	$303.4	$235.8
Barley Futures (Sep)	£101.15	+0.20	£97.85	£113.50	£100.95
Wheat Futures (Jun)	£120.70	+0.10	£106.55	£120.7	£114.40
Cotton Outlook A Index	68.50c	+0.70	66.05c	68.50c	61.35
Wool (64s Super)	655p		600p	710p	645p
Rubber (Spot)	57.75p	+0.75	62.5p	64p	56p
Oil (Brent Blend)	$20.35q	+0.80	$15.75	$20.35	$16.125

Per tonne unless otherwise stated. †Unquoted. p-pence/kg. c-cents lb q-Apr.

SPOT MARKETS

Crude oil (per barrel FOB)		+ or -
Dubai	$17.20-1.20z	+.275
Brent Blend	$20.30-0.40q	+0.45
W.T.I. (1 pm est)	$21.20-1.25z	+0.60
Oil products (NWE prompt delivery per tonne CIF)		+ or -
Premium Gasoline	$248-249	+11.5
Gas Oil	$165-167	+4
Heavy Fuel Oil	$95-96	+2.5
Naphtha	$199-201	+11
Petroleum Argus Estimates		
Other		+ or -
Gold (per troy oz)♣	$383.75	-0.5
Silver (per troy oz)♣	566c	+5
Platinum (per troy oz)	$525.75	+0.50
Palladium (per troy oz)	$180.50	+0.25
Aluminium (free market)	$1945	
Copper (US Producer)	144⅔-48¾c	-3¼
Lead (US Producer)	57.5c	
Nickel (free market)	690c	+20
Tin (European free market)	£5607.5	+112
Tin (Kuala Lumpur market)	25.23r	+0.21
Tin (New York)	433.5c	+8.75
Zinc (US Prime Western)	95½c	
Cattle (live weight)†	113.23p	+5.07*
Sheep (dead weight)†	229.68p	+21.0*
Pigs (live weight)†	81.94p	
London daily sugar (raw)	$295.2v	-1.2
London daily sugar (white)	$303.0v	-2.0
Tate and Lyle export price	£286.0	-1.0
Barley (English feed)	£116.5q	
Maize (US No. 3 yellow)	£133	
Wheat (US Dark Northern)	£125.25v	-3.0
Rubber (spot)♥	57.75p	+0.75
Rubber (May) ♥	67.75p	+0.75
Rubber (Jun) ♥	68.70p	+0.45
Rubber (KL RSS No 1 Apr)	297.0m	+0.5
Coconut oil (Philippines)§	$540v	-10
Palm Oil (Malaysian)§	$382.5x	
Copra (Philippines)§	$355	
Soyabeans (US)	$197q	-4
Cotton "A" Index	68.50c	
Woolltops (64s Super)	655p	

£ a tonne unless otherwise stated. p-pence/kg. c-cents/lb. r-ringgit/kg. v-Apr/May. u-Mar/Apr. q-Apr. x-May/Jun. w-Apr/Jun. z-May. †Meat Commission average fatstock prices. * change from a week ago. ♥London physical market. §CIF Rotterdam. ♣ Bullion market close. m-Malaysian cents/kg.

COCOA £/tonne

	Close	Previous	High/Low	
May	827	810	827	820
Jul	834	826	835	827
Sep	841	833	841	837
Dec	866	853	867	864
Mar	856	854	856	854
May	857	852	857	853

Turnover:5798 (3449) lots of 10 tonnes

ICCO indicator prices (SDRs per tonne). Daily price for Mar 30:1058.34 (1065.68):10 day average for Mar 31:1066.93 (1072.64).

COFFEE £/tonne

	Close	Previous	High/Low	
May	1100	1097	1110	1090
Jly	1069	1065	1075	1055
Sep	1036	1038	1048	1027
Nov	1030	1025	1040	1032
Jan	1030	1025	1036	
Mar	1035	1020	1037	

Turnover:2532 (5868) lots of 5 tonnes

ICO indicator prices (US cents per pound) for Mar 30: Comp. daily 113.06 (113.24); . 15 day average 116.98 (117.39).

SUGAR ($ per tonne)

Raw	Latest	Previous	High/Low	
May	269.00	267.80	266.00	259.60
Aug	270.00	268.00	265.20	259.60
Oct	265.00	264.60	262.60	258.60
Dec	260.00	265.00	258.00	
Mar	256.00	258.00	255.00	253.40
White	**Latest**	**Previous**	**High/Low**	
May	319.00	324.00	322.00	315.00
Aug	320.00	326.00	320.00	315.00
Oct	310.00	313.00	305.00	

Turnover: Raw 3854 (5276) lots of 50 tonnes. White 297 (1010).

Paris- White (FFr per tonne): May 2030, Aug 2030, Oct 1960, Dec 1935, Mar 1920, May 1920.

LONDON METAL EXCHANGE TRADED OPTIONS

Aluminium (99.7%)	Calls		Puts	
Strike price $ tonne	May	Jul	May	Jul
1800	165	158	9	39
1900	90	99	33	78
2000	40	57	82	133
Copper (Grade A)	**Calls**		**Puts**	
2800	235	204	26	120
3000	106	115	94	226
3200	36	59	222	365

LONDON METAL EXCHANGE

(Prices supplied by Amalgamated Metal Trading)

	Close	Previous	High/Low	AM Official	Kerb close	Open Interest
Aluminium, 99.7% purity ($ per tonne)						Ring turnover 12,775 tonne
Cash	1960-5	1950-60		1945-50		
3 months	1931-3	1930-5	1940/1885	1930-1	1940-2	30,240 lots
Copper, Grade A (£ per tonne)						Ring turnover 32,375 tonne
Cash	1840-5	1872-4	1865/1835	1848-50		
3 months	1738-40	1756-7	1745/1725	1740-2	1740-2	70,058 lots
Silver (US cents/fine ounce)						Ring turnover 0 ozs
Cash	574-7	571-4		573-6		
3 months	588-91	584-7		586-9		356 lots
Lead (£ per tonne)						Ring turnover 4,875 tonne
Cash	338-40	340-2	341	340-1		
3 months	350-1	352-3	352/350.5	351-1.5	350-1	9,022 lots
Nickel ($ per tonne)						Ring turnover 2,822 tonne
Cash	15350-450	15100-200	15300/15200	15300-50		
5 months	15200-50	14800-5000	15200/15000	15150-200	15150-200	7,105 lots
Zinc, Special High Grade ($ per tonne)						Ring turnover 6,775 tonne
Cash	1705-15	1812-5	1780/1775	1775-8		
3 months	1685-95	1777-80	1750/1695	1750-2	1695-700	7,991 lots
Zinc ($ per tonne)						Ring turnover 16,978 tonne
Cash	1690-5	1795-800	1746	1746-50		
3 months	1654-5	1750-3	1735/1630	1705-8	1660-5	11,977 lots

POTATOES £/tonne

	Close	Previous	High/Low	
Apr	64.4	65.2	65.0	63.3
May	88.3	87.9	88.0	85.3
Nov	87.5	86.0	86.0	
Feb	98.0	98.0		
Apr	128.9	125.0	128.5	126.0

Turnover 559 (360) lots of 40 tonnes.

SOYABEAN MEAL £/tonne

	Close	Previous	High/Low	
Jun	154.80	157.60	155.00	154.50
Aug	151.00	155.00	151.00	
Dec	153.50		153.50	

Turnover 67 (321)lots of 20 tonnes.

FREIGHT FUTURES $10/index point

	Close	Previous	High/Low	
Mar	1631	1634	1631	
Apr	1625	1620	1630	1615
Jul	1380	1380	1390	1375
Oct	1490	1482	1495	1490
Jan	1530	1525	1530	
Apr	1560	1550	1560	
BFI	1631	1624		

Turnover 458 (371)

GRAINS £/tonne

Wheat	Close	Previous	High/Low	
May	118.90	118.65	118.90	118.70
Jun	120.70	120.45	120.75	120.45
Sep	104.00	104.00	104.10	104.00
Nov	106.30	106.25	106.30	106.25
Jan	109.50		109.50	109.40
Barley	**Close**	**Previous**	**High/Low**	
May	111.10	111.40	111.20	111.10
Sep	101.15	101.10	101.15	
Nov	104.05		104.05	104.00

Turnover: Wheat 215 (171), Barley 25 (23). Turnover lots of 100 tonnes.

LONDON BULLION MARKET

Gold (fine oz)	$ price	£ equivalent
Close	383½-384	227½-228
Opening	382½-383	226¼-226¾
Morning fix	382.30	226.320
Afternoon fix	382.20	227.014
Day's high	383¾-384¼	
Day's low	382-382½	

Coins	$ price	£ equivalent
Mapleleaf	393-396	233-235½
Britannia	393-398	233-235½
US Eagle	393-398	233-235½
Angel	393-398	233-235½
Krugerrand	382-385	226½-228
New Sov.	90-91	53¼-54
Old Sov.	90-91	53¼-54
Noble Plat	528.1-537.05	312.55-317.85

Silver fix	p/fine oz	US cts equiv
Spot	341.30	576.60
3 months	352.40	591.88
6 months	363.05	606.95
12 months	386.40	642.95

CRUDE OIL $/barrel

	Close	Previous	High/Low	
May	19.57	19.17	19.73	19.47
Jun	18.95	18.62	19.10	18.92
Jul	18.50	18.13	18.54	18.45
IPE Index	19.19	18.69		

Turnover: 15539 (9840)

GAS OIL $/tonne

	Close	Previous	High/Low	
Apr	162.50	158.25	162.75	160.25
May	159.75	156.50	160.25	157.50
Jun	158.00	154.00	158.25	155.50
Jul	157.75	154.50	158.25	156.75
Aug	158.25	156.50	159.00	157.00
Sep	165.00	160.00	165.00	158.00
Oct	168.00	160.00	168.00	158.00
Nov	168.00	160.25	168.00	158.50

Turnover 7536 (7513) lots of 100 tonnes

Because of the current extended time gap between the UK and the US closing New York and Chicago prices were not available in time for this edition. The prices shown here are as at Thursday's close.

New York

GOLD 100 troy oz.; $/troy oz.

	Close	Previous	High/Low	
Apr	382.2	383.5	386.4	381.5
May	384.0	385.6	0	0
Jun	386.2	387.6	390.5	385.5
Aug	391.3	392.7	395.0	390.5
Oct	397.2	398.7	401.0	396.5
Dec	403.0	404.6	407.0	402.0
Feb	408.8	410.4	0	0
Apr	414.7	416.3	0	0
Jun	420.6	422.2	422.3	420.5

PLATINUM 50 troy oz; $/troy oz.

	Close	Previous	High/Low	
Apr	520.5	522.0	527.0	514.5
May	520.8	522.0	0	0
Jul	521.8	522.2	526.5	515.5
Oct	522.8	523.2	528.0	518.0
Jan	524.8	525.2	527.0	521.0
Apr	527.3	527.7	525.0	525.0

SILVER 5,000 troy oz; cents/troy oz.

	Close	Previous	High/Low	
Apr	573.5	575.8	573.0	572.0
May	578.0	580.8	585.0	576.5
Jul	586.8	591.9	596.5	587.5
Sep	598.9	603.5	607.6	596.0
Dec	616.3	619.9	626.0	614.0
Jan	621.6	625.3	0	0
Mar	632.4	636.3	634.0	630.0
May	643.3	647.2	0	0
Jul	654.3	658.4	658.0	652.0

COPPER 25,000 lbs; cents/lbs

	Close	Previous	High/Low	
Apr	132.40	137.80	132.40	132.30
May	132.40	138.40	134.80	132.20
Jul	126.40	129.40	127.80	126.40
Sep	121.90	124.70	123.30	121.75
Dec	117.10	119.50	118.40	116.80

CRUDE OIL (Light) 42,000 US galls $/barrel

	Latest	Previous	High/Low	
May	20.78	20.20	20.83	20.42
Jun	20.11	19.61	20.13	19.81
Jul	19.59	19.18	19.60	19.33
Aug	18.18	18.78	18.18	18.00
Sep	18.53	18.45	18.63	18.63
Nov	18.25	17.92	18.25	18.16
Jan	17.85	17.51	17.85	17.80
Feb	17.51	17.35	17.55	17.51

HEATING OIL 42,000 US galls, cents/US galls

	Latest	Previous	High/Low	
Apr	5660	5462	5670	5555
Jun	5305	5144	5305	5215
Jul	5205	5070	5215	5150
Oct	5345	5205	5345	5280
Nov	5400	5260	5400	5325
Dec	5410	5315	5425	5370

COCOA 10 tonnes;$/tonnes

	Close	Previous	High/Low	
May	1417	1413	1438	1408
Jul	1334	1344	1358	1331
Sep	1314	1332	1342	1312
Dec	1323	1336	1340	1322
Mar	1310	1318	1325	1310
May	1313	1318	1323	1313
Jul	1334	1344	1358	1331

COFFEE "C" 37,500lbs; cents/lbs

	Close	Previous	High/Low	
May	126.72	126.86	127.90	126.25
Jul	121.72	121.00	122.90	121.80
Sep	118.42	117.75	119.80	118.05
Dec	115.50	115.00	116.25	115.20
Mar	115.50	115.00	116.00	115.00
May	116.13	116.13	117.00	117.00
Jul	117.00	116.60	0	0

SUGAR WORLD "11" 112,000 lbs; cents/lbs

	Close	Previous	High/Low	
May	11.95	12.20	12.26	11.90
Jul	12.00	12.11	12.30	11.89
Oct	11.79	11.73	12.05	11.70
Jan	11.15	11.09	0	0
Mar	11.40	11.42	11.66	11.35
May	11.32	11.34	11.58	11.27
Jul	11.25	11.27	0	0

COTTON 50,000; cents/lbs

	Close	Previous	High/Low	
May	61.45	61.62	61.80	61.32
Jul	62.60	62.65	62.89	62.50
Oct	63.70	63.65	63.86	63.55
Dec	63.80	63.70	63.95	63.65
Mar	64.50	64.35	64.50	64.35

ORANGE JUICE 15,000 lbs; cents/lbs

	Close	Previous	High/Low	
May	162.40	164.15	163.40	161.05
Jul	161.70	162.70	162.25	160.50
Sep	159.50	160.75	160.25	158.50
Nov	154.15	154.00	154.30	153.00
Jan	149.75	150.30	149.75	149.75
Mar	149.05	149.60	149.05	148.90
May	149.05	149.60	0	0
Jul	149.05	149.60	0	0

INDICES

REUTERS (Base: September 18 1931 = 100)

Mar 30	Mar 29	mnth ago	yr ago
2002.2	2000.4	1983.6	1736.0

DOW JONES (Base: Dec. 31 1974 = 100)

Spot	136.70	136.84	136.88	132.22
Futures	138.17	138.24	140.72	135.23

Chicago

SOYABEANS 5,000 bu min; cents/60lb bushel

	Close	Previous	High/Low	
May	737/0	761/0	760/4	734/0
Jul	745/2	770/6	770/4	743/0
Aug	740/6	767/2	766/0	739/0
Sep	725/4	747/0	746/0	722/0
Nov	713/0	732/4	732/0	710/0
Jan	719/4	740/4	739/4	719/0
Mar	728/4	749/0	747/0	728/0
May	735/0	751/0	749/0	734/0

SOYABEAN OIL 60,000 lbs; cents/lb

	Close	Previous	High/Low	
May	22.42	22.65	22.83	22.40
Jul	23.05	23.26	23.42	23.00
Aug	23.37	23.56	23.70	23.30
Sep	23.61	23.83	23.80	23.55
Oct	23.75	24.02	24.10	23.65
Dec	24.05	24.27	24.40	23.92
Jan	24.12	24.41	24.40	24.11
Mar	24.17	24.50	24.15	24.20

SOYABEAN MEAL 100 tons; $/ton

	Close	Previous	High/Low	
May	227.2	234.8	234.8	227.0
Jul	226.3	233.4	233.2	225.2
Aug	223.2	231.7	231.3	223.0
Sep	221.0	228.0	228.0	220.0
Oct	215.7	223.5	222.0	214.0
Dec	213.7	221.7	220.5	213.5
Jan	214.0	221.5	220.5	214.0
Mar	215.0	222.0	220.0	215.0

MAIZE 5,000 bu min; cents/56lb bushel

	Close	Previous	High/Low	
May	265/0	273/2	273/4	264/4
Jul	266/4	275/6	275/6	266/0
Sep	258/4	266/0	266/4	256/6
Dec	255/2	261/0	262/0	253/4
Mar	261/4	267/4	267/0	260/0
May	263/4	268/4	269/6	262/0
Jul	265/0	270/6	271/0	264/4

WHEAT 5,000 bu min; cents/60lb-bushel

	Close	Previous	High/Low	
May	409/0	428/2	427/0	408/4
Jul	387/4	408/6	404/0	387/0
Sep	387/6	414/0	413/0	387/0
Dec	410/0	426/0	425/0	410/0
Mar	415/0	429/6	427/4	413/4
May	414/0	430/0	426/0	414/0

LIVE CATTLE 40,000 lbs; cents/lbs

	Close	Previous	High/Low	
Apr	78.27	78.62	78.50	78.17
Jun	73.47	74.12	74.10	73.42
Aug	70.90	71.85	71.25	70.85
Sep	71.30	71.60	0	71.30
Oct	71.42	71.77	71.77	71.40
Dec	72.65	72.77	72.75	72.22
Feb	72.82	73.15	72.85	72.80
Apr	73.70	73.95	73.90	73.60

LIVE HOGS 30,000 lb; cents/lbs

	Close	Previous	High/Low	
Apr	40.87	41.67	41.50	40.77
Jun	46.42	47.05	46.75	46.30
Jul	46.72	47.15	47.10	46.62
Aug	45.77	46.15	46.15	45.80
Oct	43.35	43.62	43.50	43.17
Dec	45.12	45.42	45.60	45.05
Feb	45.77	45.85	45.95	45.50
Apr	44.65	44.70	44.70	44.25

PORK BELLIES 40,000 lbs; cents/lb

	Close	Previous	High/Low	
May	38.07	38.37	38.35	37.85
Jul	38.37	38.52	38.65	38.12
Aug	37.47	37.70	37.60	37.25
Feb	53.35	53.90	53.00	53.30
Mar	52.70	53.80	53.30	52.70
May	53.25	53.82	0	53.25
Jul	54.85	55.30	0	54.55

INTL. COMPANIES

BCI buys Italian property stake

By Michael Marray in Hong Kong

BOND Corporation International (BCI), the Hong Kong listed company whose minority shareholders recently thwarted an attempted buy-out by the Australian parent, Bond Corporation Holdings (BCH), has exercised an option to acquire for US$120m a 50 per cent stake in a large development property in Italy.

The site comprises some 284 hectares of land situated nine kilometres from the centre of Rome, and will be developed into a wholesale goods handling area, shopping centre and office space in a sprawling low-rise complex.

Mr Peter Lucas, managing director of BCI, said yesterday that the development costs to the the joint venture company, comprising BCI and an unnamed European partner, will be between US$800m and US$950m, assuming all the relevant planning approvals are given. This will probably be funded by syndicated loans using the land and properties as collateral.

Mr Lucas said that BCI had already benefited from several months of involvement in detailed planning and negotiation, and is in charge of the project management and putting together the financing package.

"There is a very real demand in Rome for this type of development," he said, with an undersupply of both modern retail facilities and air-conditioned office space.

The average land cost in the deal is US$7.50 per sq ft, though with planning restrictions it works out at US$50 per sq ft for the developable area. Mr Lucas said that the land was inexpensive, but the developments on it would all be low-rise.

Civil construction work will start this November, with the goods handling centre and office complex likely to be completed by late 1992. Mr Lucas said that the decision whether to hold for investment or sell units upon completion would be a matter for discussion with the joint venture partner.

The US$120m cost of exercising the option was met from internal BCI resources, and was exercised over a party unrelated to Bond Corporation, which is headed by Mr Alan Bond, the Australian entrepreneur. The other 50 per cent was previously owned by BCH, but it recently sold most of this stake to the new European partner, and is now involved in the project primarily through its 66 per cent holding in BCI.

Alan Bond: disposal to European partners

The land is owned by Porta Di Roma, which is in turn held by the offshore holding companies, Seabrook Corporation and Parich. BCI now owns 50 per cent of the issued share capital of each of these two holding companies.

Trading in BCI shares was suspended yesterday afternoon, and will resume on Monday.

Hang Lung's Amoy unit placing to raise $74m

By Michael Marray

HONG-KONG-listed Amoy Properties has announced that it is raising HK$577m (US$74m) through a placement of new shares to partly finance a HK$1.6bn purchase of a number of department store, retail and restaurant properties in the busy Causeway Bay shopping district on Hong Kong island.

Under the terms of the share placement, Amoy's parent, Hang Lung Development, has made available 79m existing shares for placing to institutional and other investors. By early next week Hang Lung will itself subscribe to all 158m new shares placed by Amoy, representing 10 per cent of Amoy's share capital. This will ensure that Hang Lung's controlling stake in Amoy remains steady at around 51 per cent.

All the new and existing sharee are being sold at HK$3.65, a discount of 4.5 per cent to the average closing price in the five days to Thursday. The placement to institutions has been underwritten and arranged by Barclays de Zoete Wedd Securities Asia.

Hang Lung Development underwent a major restructuring last year, leaving Amoy as a property investment company and the newly named Grand Hotels as the hotel operating arm of the group.

The Causeway Bay properties have been sold by a trust belonging to a local Hong Kong family. They are expected to bring in at least HK$112m for the year starting July 1, 1989, equivalent to an annual yield of 7 per cent.

Boom conditions in the Hong Kong economy have sent rentals soaring over the past year, and demand for well positioned retail space is running high.

Sun Hung Kai 62% up

By Michael Marray

SUN HUNG KAI Properties, the Hong Kong-listed group which is one of the territory's largest property developers, reports profits after tax and minorities of HK$893.4m (US$115m) for the six months ended December, a 62 per cent leap over the same 1987 period.

Turnover rose to HK$1.785bn from a previous HK$1.209bn, on the back of substantial sales of development properties in a rising market. The company said that during the six-month period it had pre-sold, both as principal and agent, properties worth HK$2.3bn, against HK$1.06bn in the 1987 period.

Sun Hung Kai has been active in building up its land bank for future development projects, and together with Sino Land recently paid a record auction price for government land of HK$3.35bn for a prime waterfront site on Hong Kong island.

The company is a participant in a consortia bidding to build and operate a cable television network for Hong Kong.

Earlier this year Sun Hung Kai, controlled by Mr Kwok Tak-seng, bought out the minorities in New Town Properties to make it a wholly owned unit of the group.

Norwegians join Volvo venture

SEVERAL Norwegian companies, including Norsk Hydro and Christiania Bank, have joined Volvo of Sweden to establish an investment company with a capital of NKr1bn ($145m), Reuter reports.

The new company, to be called Synergos, will participate in the structural development of Norwegian business and industry in an effort to improve competitiveness and stimulate growth.

Norsk Hydro, 51 per cent state-owned, will hold 30 per cent of its capital, as will Volvo. Norske Skog, the paper and pulp conglomerate, will have 10 per cent and Christiania and insurance group Forsikring 15 per cent each.

MONTHLY AVERAGES OF STOCK INDICES

	Mar.	Feb.	Jan.	Dec.
Financial Times				
Government Securities	86.28	86.72	87.86	87.90
Fixed Interest	96.99	97.87	96.62	96.27
Ordinary	1710.7	1676.2	1543.5	1439.4
Gold Mines	186.8	164.5	166.8	170.5
SEAQ Bargains (5 p.m.)	31,906	32,206	32,174	18,948
F.T.-Actuaries				
Industrial Group	1109.77	1088.18	994.62	925.95
500 Share	1182.28	1158.47	1064.79	994.41
Financial Group	749.64	751.74	704.46	671.35
All-Share	1076.80	1069.28	976.16	914.93
FT-SE 100	2074.0	2045.2	1891.7	1769.7

	March High	March Low
Ordinary	1761.1(14th)	1664.1(1st)
All-Share	1101.68(14th)	1051.42(1st)
FT-SE 100	2125.4(14th)	2021.3(1st)

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar edges higher

THE DOLLAR recovered in currency markets yesterday having lost ground on Thursday in New York following central bank intervention. Dollar sales by the US Federal Reserve on Thursday - the third successive day on which it has acted to suppress the dollar - included yen as well as D-Mark purchases. This was the first such action since the end of 1985 and added a new dimension to the Bank's determination to hold down the dollar's rise.

So despite its small overall improvement, investors were in no mood yesterday to test the DM1.9000 level again, and the dollar hovered between DM1.8900 and DM1.8975 for most of the day.

Trading volume was also curbed by the proximity of the Group of Seven nations meeting - starting in Washington this weekend. Some traders suggested that the G7 meeting could result in a higher 'agreed trading range' for the dollar. Even so, there was little incentive to carry exposed dollar positions over the weekend. Furthermore, trading activity was reduced because yesterday marked the last day of the month and quarter, as well as the end of the financial year in some countries.

The dollar finished at DM1.8940 against DM1.8930 on Thursday but slipped against the yen to Y132.45 from Y132.75. Elsewhere, it finished at SFr1.6610 from SFr1.6530 and FFr6.3950 against FFr6.3925. On Bank of England figures, the dollar's exchange rate index rose from 68.6 to 68.8.

Sterling moved up against the D-Mark initially but showed very little movement thereafter. Its exchange rate index opened and closed at 95.5 compared with 95.3 on Thursday. The firmer tone was underpinned by sterling's favourable interest rate differential over the D-Mark. There is little chance of UK interest rates being reduced in the short-term, while a rise in West German interest rates could put additional pressure on the weaker members of the EMS.

The pound rose to DM3.1975 from DM3.1900 and $1.6880 compared with $1.6850. It was slightly weaker against the yen at Y223.50 from Y223.75 and finished elsewhere at FFr10.7925 from FFr10.7725 and SFr2.8050 against SFr2.7850.

The French franc maintained its recent firm trend against the D-Mark. Sentiment was helped by comments by Mr Jacques de Larosiere, Governor of the Bank of France. Mr Larosiere stressed that monetary policy would be used to hold down inflation and internal consumer demand. The D-Mark ended at FFr3.3765, little changed from the close on Thursday of FFr3.3760.

£ IN NEW YORK

Mar.31	Latest	Previous Close
£ Spot	1.6875-1.6885	1.6870-1.6880
1 month	0.48-0.47pm	0.38-0.35pm
3 months	1.39-1.36pm	1.08-1.03pm
12 months	3.72-3.65pm	2.58-2.48pm

Forward premiums and discounts apply to the US dollar

STERLING INDEX

		Mar.31	Previous
8.30	am	95.5	95.5
9.00	am	95.5	95.4
10.00	am	95.5	95.4
11.00	am	95.5	95.4
Noon		95.5	95.3
1.00	pm	95.6	95.4
2.00	pm	95.5	95.3
3.00	pm	95.5	95.2
4.00	pm	95.5	95.5

CURRENCY RATES

Mar.31	Bank rate %	Special* Drawing Rights	European Currency Unit
Sterling	-	0.766720	0.651083
U.S Dollar	7	1.29407	1.10033
Canadian $	11.54	1.54598	1.31380
Austrian Sch.	4	17.1852	14.6520
Belgian Franc	7.75	51.1611	43.5979
Danish Krone	7½	9.51400	8.10130
Deutsche Mark	4	2.44307	2.08260
Neth. Guilder	5.00	2.75508	2.34833
French Franc	9½	8.25228	7.03662
Italian Lira	13½	1795.16	1526.98
Japanese Yen	2½	172.370	146.772
Norway Krone	8	8.86965	7.56477
Spanish Peseta	-	152.109	129.641
Swedish Krona	8½	8.32022	7.06853
Swiss Franc	4	N/A	1.82545
Greek Drach.	20½	N/A	175.987
Irish Punt	-	N/A	0.780155

*All SDR rates are for Mar.30

CURRENCY MOVEMENTS

Mar.31	Bank of England Index	Morgan** Guaranty Changes %
Sterling	95.5	-16.3
U.S Dollar	68.8	-9.3
Canadian Dollar	102.6	-0.6
Austrian Schilling	186.5	+9.7
Belgian Franc	105.8	-6.3
Danish Krone	102.8	-2.0
Deutsche Mark	112.2	+20.2
Swiss Franc	104.9	+14.5
Guilder	109.7	+12.9
French Franc	99.4	-15.2
Lira	47.2	-20.3
Yen	147.4	+78.9

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (Base Average 1985=100) **Rates are for Mar.30.

OTHER CURRENCIES

Mar.31	£	$
Argentina	84.1910-84.4100	49.9000-50.0000
Australia	2.0590-2.0620	1.2205-1.2215
Brazil	1.6785-1.6885	0.9950-1.0000
Finland	7.1830-7.2045	4.2540-4.2560
Greece	267.80-272.10	158.60-161.15
Hong Kong	13.1380-13.1510	7.7860-7.7880
Iran	120.20*	70.20*
Korea(Sth)	1130.95-1140.05	669.20-674.60
Kuwait	0.48875-0.49160	0.29000-0.29100
Luxembourg	66.80-66.90	39.55-39.65
Malaysia	4.6330-4.6445	2.7490-2.7540
Mexico	4098.90-4058.45	2398.00-2404.00
N. Zealand	2.7470-2.7520	1.6260-1.6285
Saudi Ar.	6.3245-6.3350	3.7500-3.7510
Singapore	3.3055-3.3110	1.9600-1.9620
S. Af (Cm)	4.3165-4.3275	2.5600-2.5630
S. Af (Fn)	6.9565-7.1090	4.1235-4.2005
Taiwan	46.15-46.40	27.35-27.45
U.A.E.	6.1920-6.2040	3.6725-3.6735

*Selling rate

FORWARD RATES AGAINST STERLING

	Spot	1 mth	3 mths	6 mths	12 mths
US Dollar	1.6880	1.6844	1.6773	1.6698	1.6622
D-mark	3.1975	3.1798	3.1467	3.1042	3.0326
French Fr.	10.793	10.754	10.686	10.593	10.459
Swiss Fr.	2.8050	2.7882	2.7564	1.8940	2.6390
Yen	223.50	221.76	218.88	214.73	207.81

MONEY MARKETS

UK rates firmer

UK INTEREST rates edged up slightly yesterday in very subdued trading. Period rates were marked up as a result of end of quarter and financial year demand. Otherwise, there was little to influence the market, with sterling maintaining a steady tone before the start of the Group of Seven meeting this weekend. The key three-month interbank rate was quoted at 13⅛-13 per cent compared with 13⅛-12⅞ per cent.

UK clearing bank base lending rate
13 per cent
from November 25

The Bank of England forecast a shortage of around £650m which was later revised to £800m and then back to £650m. Factors affecting the market included bills maturing in official hands and a take up of Treasury bills, together with repayment of any late assistance draining £744m. There was also a rise in the note circulation of £385m. These were partly offset by Exchequer transactions which added £380m and banks' balances brought forward £75m above target.

The Bank gave assistance in the morning of £24m through outright purchases of £7m of eligible bank bills in band 1, £2m in band 2 and £15m in band 4, all at unchanged rates.

POUND SPOT- FORWARD AGAINST THE POUND

Mar.31	Day's spread	Close	One month	% p.a.	Three months	% p.a.
US	1.6840-1.6910	1.6875-1.6885	0.38-0.35cpm	2.59	1.10-1.05pm	2.54
Canada	N/A	2.0155-2.0165	0.19-0.08cpm	0.77	0.39-0.33pm	0.68
Netherlands	3.60-3.61	3.60-3.61	2-1⅞cpm	6.24	5⅞-5¼pm	6.03
Belgium	66.70-67.10	66.80-66.90	30-27cpm	5.12	81-77pm	4.73
Denmark	12.41¼-12.44¼	12.42¾-12.43¾	4⅝-4⅛orepm	4.22	13¼-12⅞pm	4.14
Ireland	1.1945-1.2005	1.1980-1.1990	0.52-0.47pm	4.96	1.45-1.35pm	4.67
W. Germany	3.19½-3.20¼	3.19½-3.20	1¾-1⅝pfpm	6.57	5⅛-5pm	6.41
Portugal	262.20-263.60	262.60-263.60	13-23cdis	0.82	24-112dis	1.03
Spain	198.70-199.50	198.90-199.20	24-12cpm	1.09	40-25pm	0.65
Italy	2339¼-2348	2343½-2344½	4-2lirepm	1.54	7-5pm	1.02
Norway	11.60¼-11.62½	11.60¼-11.61½	1½-1¼orepm	1.49	4⅜-4pm	1.46
France	10.77¾-10.80¼	10.78¼-10.79¼	4-3½cpm	4.17	10⅞-10½pm	3.96
Sweden	10.84¼-10.86½	10.85¼-10.86¼	1⅝-1¼orepm	1.59	4½-3⅝pm	1.52
Japan	223¼-224	223-224	1⅞-1⅝ypm	9.40	4⅝-4½pm	8.28
Austria	22.40-22.48	22.40-22.43	12¼-11¼gropm	6.26	35¼-32¾pm	6.07
Switzerland	2.78¾-2.80¾	2.80-2.81	1¾-1⅝cpm	7.22	4⅞-4¾pm	6.86

Belgian rate is convertible francs. Financial franc 67.20-67.30. Six-month forward dollar 1.85-1.80cpm 12 months 2.63-2.53cpm

DOLLAR SPOT- FORWARD AGAINST THE DOLLAR

Mar.31	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.6840-1.6910	1.6875-1.6885	0.38-0.35cpm	2.59	1.10-1.05pm	2.54
Ireland†	1.4060-1.4120	1.4060-1.4070	0.30-0.35cdis	-2.76	0.90-1.00dis	-2.69
Canada	1.1920-1.1940	1.1930-1.1940	0.16-0.20cdis	-1.81	0.55-0.61dis	-1.94
Netherlands	2.1300-2.1410	2.1365-2.1365	0.67-0.64cpm	3.68	1.90-1.85pm	3.52
Belgium	39.50-39.70	39.55-39.65	8.50-7.00cpm	2.35	23.00-20.00pm	2.17
Denmark	7.34½-7.37½	7.36¼-7.36¾	1.10-0.85orepm	1.59	3.20-2.80pm	1.63
W. Germany	1.8885-1.9000	1.8935-1.8945	0.64-0.61pfpm	3.96	1.84-1.80pm	3.85
Portugal	155.85-156.30	156.30-156.40	27-47cdis	-2.84	115-165dis	-3.59
Spain	117.65-118.15	118.05-118.15	14-18cdis	-1.63	53-58dis	-1.88
Italy	1385-1390½	1388¾-1389¼	1.00-1.50liredis	-1.08	5.20-5.70dis	-1.57
Norway	6.85¼-6.88½	6.87½-6.88	0.50-0.75oredis	-1.09	1.65-1.95dis	-1.05
France	6.38-6.41	6.39¼-6.39¾	0.85-0.75cdis	1.50	2.35-2.20pm	1.42
Sweden	6.41¾-6.44	6.43-6.43½	0.45-0.65oredis	-1.03	1.50-1.80dis	-1.03
Japan	132.20-132.70	132.40-132.50	0.72-0.70ypm	6.44	1.92-1.89pm	5.76
Austria	13.29¾-13.31¾	13.31-13.31½	4.15-3.75gropm	3.56	12.25-11.00pm	3.49
Switzerland	1.6495-1.6630	1.6605-1.6615	0.65-0.62cpm	4.59	1.85-1.81pm	4.41

† UK and Ireland are quoted in US currency. Forward premiums and discounts apply to the US dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 39.80-39.90.

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu Mar.31	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	42.4582	43.5979	+2.68	+0.91	±1.5344
Danish Krone	7.85212	8.10130	+3.17	+1.40	±1.5404
German D-Mark	2.05853	2.08260	+1.17	-0.60	±1.0981
French Franc	6.90403	7.03662	+1.92	+0.15	±1.3674
Dutch Guilder	2.31943	2.34833	+1.25	-0.52	±1.5012
Irish Punt	0.768411	0.780155	+1.53	-0.24	±1.6684
Italian Lira	1483.58	1526.98	+2.93	+1.87	±4.0752

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EURO-CURRENCY INTEREST RATES

Mar.31	Short term	7 Days notice	One Month	Three Months	Six Months	One Year
Sterling	12⅞-12½	12⅞-12⅝	12⅞-12¾	13⅛-13	13⅛-13	12⅞-12¾
US Dollar	10-9⅞	9⅞-9¾	10⅛-9⅞	10⅜-10¼	10⅝-10½	11⅛-10⅞
Can. Dollar	12-11¾	11¾-11½	11¾-11½	12⅛-11⅞	12½-12¼	12¾-12½
D. Guilder	6½-6⅜	6½-6⅜	6⅝-6½	6⅝-6½	6⅞-6¾	7⅛-7
Sw. Franc	5¼-5⅛	5¼-5⅛	5⅝-5½	5⅞-5¾	6⅛-6	6⅜-6¼
Deutschmark	5⅞-5¾	6-5⅞	6⅛-6	6⅜-6¼	6⅝-6½	7-6⅞
Fr. Franc	8⅛-8	8⅝-8½	8⅝-8½	8⅞-8¾	9⅛-9	9⅜-9¼
Italian Lire	11-9	10¼-9⅞	11½-11	12-11½	12¼-12⅛	13-12⅝
B. Fr. (Fin)	7¾-7½	8-7¾	8-7¾	8⅛-8	8⅜-8¼	8⅝-8½
B. Fr. (Con)	7¾-7½	8-7¾	8⅛-7⅞	8⅛-8	8⅜-8¼	8⅝-8½
Yen	4⅞-4⅝	4⅞-4¾	4⅞-4¾	4⅝-4½	4⅞-4¾	4⅞-4¾
D. Krone	8⅞-8⅝	8⅞-8⅝	8⅞-8⅝	8¾-8⅝	8⅞-8¾	9⅛-8⅞
Asian $Sing	9⅞-9⅝	10-9⅞	10⅛-10	10⅜-10¼	10⅜-10¼	12⅛-10⅞

Long term Eurodollars: two years 10⅞-10¾ per cent; three years 10⅞-10¾ per cent; four years 10⅞-10¾ per cent; five years 10⅞-10¾ per cent nominal. Short term rates are call for US Dollars and Japanese Yen; others, two days' notice.

EXCHANGE CROSS RATES

Mar.31	£	$	DM	Yen	F Fr.	S Fr.	H Fl.	Lira	C $	B Fr.
£	1	1.688	3.198	223.5	10.79	2.805	3.605	2344	2.016	66.85
$	0.592	1	1.895	132.4	6.392	1.662	2.136	1389	1.194	39.60
DM	0.313	0.528	1	69.89	3.374	0.877	1.127	733.0	0.630	20.90
YEN	4.474	7.553	14.31	1000.	48.28	12.55	16.13	10488	9.020	299.1
F Fr.	0.927	1.564	2.964	207.1	10.	2.600	3.341	2172	1.868	61.96
S Fr.	0.357	0.602	1.140	79.68	3.847	1	1.285	835.7	0.719	23.83
H Fl.	0.277	0.468	0.887	62.00	2.993	0.778	1	650.2	0.559	18.54
Lira	0.427	0.720	1.364	95.35	4.603	1.197	1.538	1000.	0.860	28.52
C $	0.496	0.837	1.586	110.9	5.352	1.391	1.788	1163	1	33.16
B Fr.	1.496	2.525	4.784	334.3	16.14	4.196	5.393	3506	3.016	100.

Yen per 1,000: French Fr. per 10: Lira per 1,000: Belgian Fr. per 100.

FT LONDON INTERBANK FIXING

(11.00 a.m. Mar.31) 3 months US dollars		6 months US Dollars	
bid 10⅜	offer 10½	bid 10⅝	offer 10¾

The fixing rates are the arithmetic means rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11.00 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque National de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK

(Lunchtime)

Prime rate	11½
Broker loan rate	10⅞-⅞
Fed.funds	10
Fed.funds at intervention	-

Treasury Bills and Bonds

One month	9.00	Three year	9.69
Two month	9.01	Four year	9.63
Three month	9.23	Five year	9.57
Six month	9.58	Seven year	9.44
One year	9.68	10-year	9.33
Two year	9.77	30-year	9.14

Mar.31	Overnight	One Month	Two Months	Three Months	Six Months	Lombard Intervention
Frankfurt	4.00-4.50	6.00-6.15	6.10-6.25	6.35-6.55	6.70-6.85	6.00
Paris	8⅝-8¾	8½-8⅝	8⅝-8¾	8⅞-8⅞	9-9⅛	7.25
Zurich	4⅞-5⅛	5⅝-5⅞	-	5¾-6	-	-
Amsterdam	6.45-6.56	6.50-6.56	-	6.70-6.80	-	-
Tokyo	4⅞-4⅞	-	-	-	-	-
Milan	12¼-12¾	11⅞-12⅛	-	12⅛-12¼	-	-
Brussels	3.75	7⅞-7⅞	-	8⅛-8¼	-	-
Dublin	7¾-8	7¾-8	7⅞-8⅛	8¼-8⅝	8½-8¾	-

LONDON MONEY RATES

Mar.31	Overnight	7 days notice	One Month	Three Months	Six Months	One Year
Interbank Offer	12¾	12⅞	12⅞	13⅛	13⅛	13
Interbank Bid	10	12¾	12⅞	12⅞	12⅞	12⅞
Sterling CDs	-	-	12⅞	13	13	12⅞
Local Authority Deps.	12⅞	12⅞	12⅞	12⅞	12⅞	12⅞
Local Authority Bonds	-	-	-	-	-	-
Discount Mkt Deps.	12⅞	12⅞	12⅝	12¾	-	-
Company Deposits	-	-	12⅞	13⅛	13⅛	12⅞
Finance House Deposits	-	-	12⅞	13	13	12⅞
Treasury Bills (Buy)	-	-	12⅝	12⅝	-	-
Bank Bills (Buy)	-	-	12⅝	12⅝	12⅝	-
Fine Trade Bills (Buy)	-	-	13⅛	13⅛	12⅞	-
Dollar CDs	-	-	10.05	10.25	10.62	10.95
SDR Linked Dep Offer	-	-	8¼	8⅝	8¾	9
SDR Linked Dep Bid	-	-	8	8⅜	8⅝	8¾
ECU Linked Dep Offer	-	-	8¾	8¾	9⅛	9½
ECU Linked Dep Bid	-	-	8¼	8⅝	8⅞	9¼

Treasury Bills (sell); one-month 12⅝ per cent; three months 12½ per cent; Bank Bills (sell); one-month 12⅞ per cent; three months 12⅞ per cent; Treasury Bills; Average tender rate of discount 12.3940 p.c. ECGD Fixed Rate Sterling Export Finance. Make up day March 31, 1989. Agreed rates for period April 26, 1989 to May 23, 1989, Scheme I: 13.90 p.c., Schemes II & III: 14.37 p.c. Reference rate for period March 1 to March 31, 1989, Scheme IV&V: 13.068 p.c. Local Authority and Finance Houses seven days' notice, others seven days' fixed. Finance Houses Base Rate 13½ from April 1, 1989: Bank Deposit Rates for sums at seven days notice 4 per cent. Certificates of Tax Deposit (Series 6); Deposit £100,000 and over held under one month 9½ per cent; one-three months 11 per cent; three-six months 11 per cent; six-nine months 11 per cent; nine-twelve months 11 per cent; Under £100,000 9½ per cent from December 1, 1988, Deposits withdrawn for cash 5 per cent.

LIFFE LONG GILT FUTURES OPTIONS

Strike Price	Calls-settlements Jun	Calls-settlements Sep	Puts-settlements Jun	Puts-settlements Sep
93	340	437	2	9
94	244	345	6	17
95	153	258	15	30
96	107	213	33	49
97	36	138	62	110
98	17	107	143	143
99	8	47	234	219

Estimated volume total, Calls 2866 Puts 2284
Previous day's open int. Calls 20333 Puts 16305

LIFFE US TREASURY BOND FUTURES OPTIONS

Strike Price	Calls-settlements Jun	Calls-settlements Sep	Puts-settlements Jun	Puts-settlements Sep
82	613	632	3	20
84	421	454	13	42
86	240	327	32	115
88	118	217	110	205
90	31	126	223	314
92	10	52	402	440
94	3	28	559	616

Estimated volume total, Calls 125 Puts 57
Previous day's open int. Calls 1985 Puts 1710

LIFFE FT-SE INDEX FUTURES OPTIONS

Strike Price	Calls-settlements Mar	Puts-settlements Mar
00000	—	—
00000	—	—
00000	—	—
00000	—	—
00000	—	—
00000	—	—
00000	—	—

Estimated volume total, Calls 0 Puts 0
Previous day's open int. Calls 0 Puts 0

LIFFE £/$ OPTIONS
£25,000 (cents per £1)

Strike Price	Calls-settlements Apr	Calls-settlements May	Puts-settlements Apr	Puts-settlements May
155	—	—	—	—
160	850	850	0	16
165	355	398	23	99
170	60	134	228	335
175	2	20	670	729
180	0	3	1168	1204
185	0	0	1668	1701

Estimated volume total, Calls 0 Puts 0
Previous day's open int. Calls 48 Puts 1600

LIFFE EURODOLLAR OPTIONS
$1m points of 100%

Strike Price	Calls-settlements Jun	Calls-settlements Sep	Puts-settlements Jun	Puts-settlements Sep
8850	78	83	8	26
8875	59	66	14	34
8900	40	51	20	44
8925	27	39	32	57
8950	16	29	46	72
8975	8	20	63	88
9000	5	14	85	107

Estimated volume total, Calls 0 Puts 200
Previous day's open int. Calls 2415 Puts 3840

LIFFE SHORT STERLING

Strike Price	Calls-settlements Jun	Calls-settlements Sep	Puts-settlements Jun	Puts-settlements Sep
8675	54	108	15	16
8700	36	89	22	22
8725	23	71	34	29
8750	13	56	49	39
8775	0	43	69	51
8800	4	31	90	64
8825	2	22	113	80

Estimated volume total, Calls 523 Puts 398
Previous day's open int. Calls 17589 Puts 13099

PHILADELPHIA SE £/$ OPTIONS
£31,250 (cents per £1)

Strike Price	Calls Apr	Calls May	Calls Jun	Calls Sep	Puts Apr	Puts May	Puts Jun	Puts Sep
1.650	3.72	4.14	4.71	5.82	0.15	0.87	1.70	3.42
1.675	1.87	2.48	3.20	4.46	0.75	1.76	2.73	4.57
1.700	0.66	1.42	2.07	3.38	2.05	3.01	4.11	5.94
1.725	0.22	0.70	1.30	2.49	3.91	4.77	5.77	7.49
1.750	0.03	0.28	0.74	1.84	6.23	6.83	7.68	9.20
1.775	0.01	0.09	0.38	1.30	8.67	9.89	9.89	11.06
1.800	-	0.04	0.16	0.88	11.14	11.47	12.01	13.05

Previous day's open int: Calls 303,304 Puts 334,495(All currencies)
Previous day's volume: Calls 14,096 Puts 12,156(All currencies)

LONDON SE £/$ OPTIONS
£12,500 (cents per £1)

Strike Price	Calls-settlements Apr	May	Jun	Sep	Puts-settlements Apr	May	Jun	Sep
1.650	-	-	10.60	16.45	-	-	7.95	5.60
1.700	1.60	1.85	2.35	12.45	2.35	3.35	4.35	5.70
1.750	1.20	1.60	0.90	4.65	3.70	5.35	0.10	7.70
1.800	1.15	2.20	0.95	2.15	4.45	9.20	12.00	10.85
1.850	1.10	0.75	0.25	1.20	10.40	13.70	16.50	11.95
1.900	-	-	2.20	2.00	-	-	14.30	12.90
1.950	-	-	0.60	-	-	-	20.40	-

Estimated volume total, Calls NA Puts N/A
Previous day's open int: Calls 151 Puts 131

LONDON (LIFFE)

20-YEAR 9% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev.
Jun	96-19	96-27	96-13	96-24
Sep	97-14	97-13	97-11	97-21

Estimated Volume 9123 (13656)
Previous day's open int. 20190 (20263)

7-10 YEAR 9% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev.
Jun	93-10	93-08	93-08	93-12
Sep				

Estimated Volume 39 (0)
Previous day's open int. 272 (272)

6% NOTIONAL LONG TERM JAPANESE GOVT. BOND Y100m 100ths of 100%

	Close	High	Low	Prev.
Jun	104.45	104.66	104.45	104.98
Sep	103.55			104.05

Estimated Volume 311 (618)
Previous day's open int. 731 (806)

THREE MONTH STERLING
£500,000 points of 100%

	Close	High	Low	Prev.
Jun	87.14	87.14	87.06	87.05
Sep	87.67	87.70	87.63	87.63
Dec	88.23	88.27	88.10	88.19
Mar	88.57	88.53	88.50	88.50

Est. Vol. (inc. figs. not shown) 9411 (13208)
Previous day's open int. 57325 (57198)

FT-SE 100 INDEX
£25 per full index point

	Close	High	Low	Prev.
Mar	206.05	206.20	205.50	205.50
Jun	212.90	213.10	210.90	210.60
Sep	217.15			214.60

Estimated Volume 3586 (4739)
Previous day's open int. 26548 (26648)

THREE MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev.
Jun	89.20	89.20	89.17	89.19
Sep	89.07	89.07	89.04	89.05
Dec	88.99	89.01	88.98	89.00
Mar	89.34	89.36	89.34	89.37

Est. Vol. (inc. figs. not shown) 3556 (7506)
Previous day's open int. 51922 (51784)

US TREASURY BONDS 8%
$100,000 32nds of 100%

	Close	High	Low	Prev.
Jun	88-04	88-05	87-31	87-30
Sep	88-06			88-00
Dec				

Estimated Volume 2087 (2258)
Previous day's open int. 5718 (5725)

6% NOTIONAL GERMAN GOVT. BOND
DM 250,000 100ths of 100%

	Close	High	Low	Prev.
Jun	92.95	93.08	92.90	93.09
Sep	92.49	92.57	92.47	92.62
Dec	92.19			92.32

Estimated Volume 9285 (5296)
Previous day's open int. 31260 (31797)

CHICAGO

U.S. TREASURY BONDS (CBT) 8%
$100,000 32nds of 100%

	Latest	High	Low	Prev.
Jun	88-09	88-06	87-26	88-00
Sep	88-07	88-08	87-30	88-04
Dec	88-08	88-09	88-00	88-06
Mar	88-09	88-09	88-05	88-07
Jun	-	-	-	88-06
Sep	-	-	-	88-04
Dec	-	-	-	88-01
Mar	-	-	-	-
Jun	-	-	-	87-22
Sep	-	-	-	-
Dec	-	-	-	-

U.S. TREASURY BILLS (IMM)
$1m points of 100%

	Latest	High	Low	Prev.
Jun	90.74	90.74	90.73	90.73
Sep	90.64	90.65	90.64	90.64
Dec	-	-	-	90.57
Mar	90.92	90.92	90.92	90.92
Jun	-	-	-	91.20
Sep	-	-	-	91.47

SWISS FRANC (IMM)
SFr 125,000 $ per SFr

	Latest	High	Low	Prev.
Jun	0.6084	0.6091	0.6075	0.6103
Sep	0.6148	0.6156	0.6140	0.6169
Dec	0.6218	-	0.6210	0.6238

JAPANESE YEN (IMM)
Y12.5m $ per Y100

	Latest	High	Low	Prev.
Jun	0.7644	0.7652	0.7636	0.7650
Sep	0.7756	0.7760	0.7751	0.7760
Dec	-	-	-	0.7868
Mar	-	-	-	0.7976

DEUTSCHE MARK (IMM)
DM125,000 $ per DM

	Latest	High	Low	Prev.
Jun	0.5324	0.5333	0.5320	0.5325
Sep	0.5374	0.5379	0.5374	0.5374
Dec	-	-	-	0.5424

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Latest	High	Low	Prev.
Jun	89.10	89.19	89.16	89.17
Sep	89.04	89.05	89.03	89.03
Dec	88.97	88.99	88.96	88.97
Mar	89.34	89.36	89.33	89.34
Jun	89.68	89.70	89.67	89.69
Sep	89.93	89.95	89.93	89.94
Dec	90.04	90.05	90.04	90.05
Mar	90.20	90.20	90.20	90.21

STANDARD & POORS 500 INDEX
$500 times index

	Latest	High	Low	Prev.
Jun	292.52	-	-	296.65
Sep	-	-	-	301.10
Dec	-	-	-	305.55

POUND-$ (FOREIGN EXCHANGE)

Spot	1-mth.	3-mth.	6-mth.	12-mth.
1.6880	1.6844	1.6773	1.6698	1.6622

IMM-STERLING $s per £

	Latest	High	Low	Prev.
Jun	1.6782	1.6812	1.6774	1.6752
Sep	1.6708	1.6740	1.6708	1.6672
Dec	1.6680	1.6680	-	1.6632

LONDON TRADED OPTIONS

CABLE & WIRELESS dominated dealings on the London Traded Options Market yesterday, attracting 4,240 contracts, some one eighth of overall dealings of 33,275. Dealings in the FT-SE 100 Index future were again, however, a counter, major factor. It was expiry day in the Index option, in the London International Financial Futures Exchange index contract, the last day of the account on the stock exchange underlying market, and the end of the financial year for a number of companies and countries.

There was a heavy carry-over of positions in the Index future to yesterday, and it appeared that depression in the FT-SE Index itself on Thursday resulted partly from the knowledge that substantial cancellation was threatened.

Yesterday, there was some early downwards wavering in the index, but later there was a recovery, and the market was able to absorb a unwinding of futures positions worth something in the region of £500m without major disturbance.

Index trading on the options market was not heavy, amounting to 5,709 contracts, consisting of 3,305 calls and 2,404 puts Cable & Wireless might have been thought to have run away from the field much in the way of the Old Mare's Foal of Nat Gould winning the St Leger without its feet touching the ground more than a couple of times, had it not been for the futures business. The C&W business comprised 3,978 call contracts and only 262 put. There was opening of interest on the call side of 874 contracts to 12,069, and opening on the put side of 170 to 5,111. The most actively traded series were the July 460 calls, with 1,108 contracts handled, and the July 500 calls, with 1,116. The 460s saw opening of interest of only 276 contracts to 2,505, but the 500s net opening of 889 contracts to 1,847. The underlying share price was up 17p on the day to 486.

British Steel attracted 1,862 contracts, made up of 212 calls and 1,650 puts, with the July 80p puts finding 1,000 contracts, as the underlying share price gained 1p to 83p. Allied Lyons, Trusthouse Forte and British Petroleum were among other stocks to attracted attention on the options market.

Option		CALLS Apr	Jul	Oct	PUTS Apr	Jul	Oct
Ald Lyons (*447)	420	29	42	55	2	11	13
	460	3½	20	33	17	29	32
Brit. Airways (*201)	180	22	27	32	½	5	7
	200	6	13	20	2	12	15
	220	1	6	10	21	26	27
Brit Com (*206)	200	10	20	27	4	8	12
	220	1½	10	16	15	21	22
	240	1	4	9	35	37	39
Beecham (*594)	550	-	66	88	-	15	10
	600	-	36	58	-	35	40
Boots (*271)	260	14	25	34	1½	11	13
	280	2	14	22	11	10	23
B.P. (*286)	260	27	39½	45	1	4	6
	280	9½	25½	131	3	8½	12
	300	2½	13	21	13	10½	22
British Steel (*83)	70	13½	16½	17½	¼	1¼	3½
	80	4	8¼	11	¾	5½	8¼
	90	¼	3½	6¼	7½	13	14¾
Bass (*920)	900	32	72	105	10	30	40
	950	8	47	77	40	57	62
C & Wire (*486)	420	67	83	98	1	8	12
	460	29	53	70	3	16	22
	500	8	30	46	24	32	42
Cons. Gold (*1320)	1300	75	130	160	50	75	95
	1350	55	110	135	75	100	125
	1400	37	85	115	115	130	150
Courtaulds (*298)	280	20	30	40	½	12	13
	300	6	18	28	0	21	22
	330	1	7½	16	34	41	41
Com. Union (*376)	330	48	64	-	1½	3	-
	360	19	39	44	4	10	15
	390	4	20	28	16	21	28
G.K.N. (*369)	360	13	35	44	4	11	18
	390	2	20	27	23	26	30
Grand Met. (*538)	500	-	65	74	-	6	12
	542	9	-	-	10	-	-
	550	-	51	43	-	24	20
I.C.I. (*1178)	1150	40	97	117	10	32	48
	1200	13	67	90	35	53	72
	1250	3	45	67	75	82	100
Jaguar (*322)	300	16	37	48	3½	12	19
	330	2	20	32	22	28	37
Kingfisher (*264)	240	26	33	-	1	6	-
	260	9	19	27	4½	13	18
	280	2½	12	18	17	27	30
Ladbroke (*550)	550	9	31	49	9	25	20
	600	1	13	27	52	58	69
Land Secur (*576)	550	32	52	70	2	13	20
	600	7	20	40	30	30	42
M & S (*162)	160	6	13	17	2½	8	10
	180	1	6	10	19	22	24
STC (*310)	300	13	31	42	4	13	17
	330	2	17	24	23	28	31
Sainsbury (*224)	220	9	15	26	4	8	10
	240	1	7	15	17	22	23
Shell Trans. (*585)	360	-	-	53	-	-	9
	367	22	-	-	½	-	-
	390	6	22	32	11	15	18

Option		CALLS Apr	Jul	Oct	PUTS Apr	Jul	Oct
Storehouse (*183)	160	24	30	34	1	6	8
	180	7½	20	23	6	15	17
	200	3	11	14	20	27	30
Trafalgar (*363)	360	12	22	32	9	10	20
	390	3	11	20	30	38	42
Utd.Biscuits (*316)	280	37	43	51	¼	4	7
	300	19	29	39	3	12	14
	330	2½	14	23	16	27	29
Unilever (*537)	500	-	53	73	-	9	12
	550	-	24	42	-	29	33
Ultramar (*287)	280	-	36	44	-	13	24
	294	7	-	-	12	-	-
Option		**Apr**	**Aug**	**Nov**	**Apr**	**Aug**	**Nov**
GEC (*233)	220	14½	20	34	1	9	10
	240	4½	16	24	10	18	20
Option		**Apr**	**Jun**	**Sep**	**Apr**	**Jun**	**Sep**
R. Royce (*183)	160	17½	24	33	1	3½	3½
	180	4	12½	19	5½	9½	13
	200	1	5	10	24	25	27
TSB (*117)	110	8	14	17	1	2	4
	120	2½	7	10	4	6	9
	130	1	3½	5½	14	14	15
Option		**May**	**Aug**	**Nov**	**May**	**Aug**	**Nov**
Brit Aero (*567)	500	61	85	90	3	15	22
	550	26	51	68	24	30	42
	600	10	29	45	57	65	72
BAA (*338)	300	45	51	67	2	6	10
	330	23	33	45	4½	12	20
	360	7	18	30	24	20	32
BAT Inds (*576)	500	68	87	100	3	7	12
	550	29	51	66	14	19	24
	600	10	28	39	45	48	51
Brit. Telecom (*275)	260	21	27	33	2½	8	9½
	280	10	15	22	11	17	19
	300	3	8	13	28	31	33
BTR (*382)	330	48	61	-	2	5	-
	360	23	38	48	8	12	17
	390	8	22	31	23	25	30
Cadbury Sch (*346)	300	51	61	-	1	4	-
	330	25	38	49	6	10	14
	360	10	20	31	20	22	26
Guinness (*448)	390	60	72	84	3	7	9
	420	32	50	64	7	14	18
	460	11	27	40	28	32	36
LASMO (*442)	403	56	65	85	7	17	21
	441	24	46	62	25	33	38
	479	9	28	45	50	52	60
Hanson (*186)	180	12	16	23½	3½	6	8
	200	2¼	7	13	15	17	-
P. & O. (*670)	600	62	87	-	6	14	-
	650	33	55	72	20	27	37
	700	16	35	52	52	55	62
Pilkington (*246)	220	38	35	44	2	5	7
	240	10	23	31	7	12	14
	260	8	13	21	16	23	24
Plessey (*254)	220	40	55	-	2	5	-
	240	25	31	39	5	12	13
	260	13	19	29	15	21	22
Prudential (*189)	160	27	30	38	1½	2½	4
	180	10	18	22	5	9	12
	200	3	8	12	18	19	21

Option		CALLS May	Aug	Nov	PUTS May	Aug	Nov
Racal (*393)	330	68	77	92	1½	6½	11
	360	41	57	70	5	14	19
	390	20	37	49	14	23	32
R.T.Z. (*524)	460	62	78	-	3½	8	-
	500	35	50	63	14	23	29
	550	10	26	39	45	50	55
Scot. & New (*308)	300	27	34	42	14	21	26
	330	11	18	25	30	39	43
Tesco (*154)	130	26	28	-	1	2½	-
	140	17	20	27	3	5	6
	160	4	9	13	10	12	13
Option		**May**	**Sep**	**Dec**	**May**	**Sep**	**Dec**
Vaal Reefs (*$82)	80	6½	11	12	3	6	6½
	90	2½	3½	7½	10	12	14
Option		**Jun**	**Sep**	**Dec**	**Jun**	**Sep**	**Dec**
Amstrad (*142)	140	13	23	28	8	11	13
	160	7	14	17	20	23	24
	180	3	7½	-	39	40	-
Barclays (*445)	420	43	55	62	5	11	14
	460	17	30	38	22	28	30
	500	6	13	-	58	58	-
Blue Circle (*535)	500	46	62	72	18	22	26
	550	22	36	44	40	48	52
	600	8	10	26	80	82	84
British Gas (*180)	160	25½	27	31	1	2½	3¼
	180	9¾	12	16½	15½	9½	10½
	200	2½	4½	7½	21½	22	23
Dixons (*161)	140	31	35	-	3	8½	-
	160	16	24	30	12	17	21
	180	9	16	21	27	30	32
Glaxo (*1321)	1250	117	167	195	25	35	45
	1300	87	135	165	43	55	62
	1350	62	100	133	67	75	85
Hawker Sidd. (*656)	600	78	102	113	17	25	25
	650	50	72	86	33	45	50
	700	25	47	63	65	70	77
Hillsdown (*274)	260	23	31	37	3	10	10
	280	10	18	25	14	17	18
	300	6	11	17	28	28	30
Lonrho (*329)	300	44	54	64	8	13	13
	330	25	36	47	18	24	29
	360	14	23	33	39	43	46
Midland Bk (*444)	420	45	52	62	6	11	15
	460	20	28	40	25	32	33
Sears (*120)	110	14½	17½	20	3½	5	6½
	120	7	12	14	7	9	12
THF (*288)	280	24	31	39	8½	12	14
	300	12½	20	27	18	22	23
Thorn EMI (*695)	650	65	74	93	9	16	23
	700	32	45	58	29	37	45
	750	10	20	30	65	72	85
Wellcome (*459)	420	57	75	87	8	13	18
	460	31	50	63	25	30	35

FT-SE INDEX (* 2074)

	Mar	Apr	May	Jun	Mar	Apr	May	Jun
1850	211	252	268	285	½	1	4	7
1900	161	205	220	238	½	3	6	13
1950	111	153	175	197	½	6	11	19
2000	61	108	134	156	½	11	22	28
2050	11	68	94	118	½	22	34	42
2100	½	39	65	87	40	45	55	62
2150	½	19	42	62	90	80	87	90
2200	½	10	27	43	140	128	128	130

March 31 Total Contracts 33,275
Calls 23,676 Puts 9,599
FT-SE Index Calls 3305 Puts 2404
*Underlying security price.

WORLD STOCK MARKETS

NEW YORK (2 pm)

March 31	US$	+ or −
AAR	27¼	+¼
AMCA	3⅛	....
AMR Corp	59⅛	+⅞
ASA	41⅛	−⅛
AVX Corp	17¼	....
Abbott Labs	54½	+⅛
Acme Cleveland	10½	+¼
Adobe Res	7½	−⅛
Advanced Micro	8⅝	+⅛
Aetna Life	50¾	+⅛
AHil Publ	42⅞	....
Ahmanson (H F)	16⅛	−⅛
Air Prod & Chem	42¼	+⅛
Alberto-Culver	34⅛	....
Albertson's	41⅞	+½
Alcan Aluminium	31½	+½
Alco Standard	26⅞	+¼
Alexander & Al	25½	−⅛
Alex Baldwin	35⅛	+⅝
Allegheny Intl	1⅛	....
Allegheny Power	35¼	−⅛
Allied Signal	32¾	+¼
Aluminum Co of Am	59⅝	+⅜
Amax	24¼	+¼
Amdahl Corp	16¾	+⅛
Amerada Hess	37⅛	+⅛
Am Brands	64⅞	−⅛
Am Cyanamid	51⅝	+⅞
Am Elect Power	26⅝	+⅜
Am Express	31¼	+⅜
Am Gen Corp	33⅝	....
Am Greetings	27⅞	....
Am Home Prod	86	....
Am Intl Group	79⅛	+⅜
Am Medical Intl	21	....
Am National Insce	34	....
Am Petrofina	73¼	+¼
Am Stores	55⅛	....
Am T & T	31¼	+½
Ameritech	51	+⅛
Ametek Inc	12	+¼
Amoco Corp	41¼ xc	+⅝
AMP	42¼	+⅞
Analog Devices	10½	....
Anheuser-Busch	35¼	−⅛
Aon Corp	29¼	....
Apollo Comp	7⅛	....
Apple Computers	35½	+1
Archer Daniels	23⅝	+⅛
Arkla	20¼	−⅛
Armco	10¼	+⅛
Armstrong World	34¾	+⅛
Asarco	27⅛	+½
Ashland Oil	40⅛	....
Atlantic Rich	90	....
Auto Data Pro	36⅛	+⅛
Avantek	5	....
Avery International	23⅛	....
Avnet	27⅞	+⅜
Avon Prod	22¼	+⅛
Baker Hughes	17	+⅛
Bally	21⅞	+⅛
Balt Gas & Elec	29	+⅛
Banc One	25	....
BankAmerica	24¼	−½
Bank of Boston	25⅝	....
Bank of N Eng	23⅛	+⅛
Bank of New York	43	+½
Bankers Tst N.Y.	42¼	+⅛
Barclays ADR	29⅛	+⅛
Barnett Bks Inc	33	+⅛
Barry Wright	5⅛	+⅛
Basix	⅛	....
Bausch & Lomb Inc	49	+⅛
Baxter Intl	19½	−⅛
Becton Dickinson	50⅝	+⅛
Bell Atlantic	76⅛	+⅛
Bell Industries	15¼	+⅝
Bellsouth	43	+⅛
Beneficial Corp	45⅛	+⅛
Bethlehem Steel	24	+⅛
Betz Labs	48¼	....
Black & Decker	19¼	+⅛
Block H&R	27⅛	−⅛
Blount B	12¼	....
Boeing	67⅞	−⅛
Boise Cascade	43	+⅜
Bond Intl Gold	8	−⅛
Borden	58½	+⅛
Bowater Inc	28⅛	−⅛
Briggs Stratton	27⅛	+⅛
Bristol Myers	46¾	+⅛
British Airways	34	+⅛
BP	58⅛	+⅜
Brit. Steel ADR	14⅛	+⅛
Brit. Telecom	47	+1⅛
Broad Inc	7½	....
Brown Forman B	62½	+⅛
Brown Group	34	−⅛
Brown & Sharp	17	+⅛
Brown Ferris	29⅛	....
Brunswick	19⅞	−½
Burlington Nrthn	22¼	+⅛
CBI Industries	26½	....
CBS	173½	+⅜
CMS Energy	25⅛	+⅛
CNA Financial	61	+⅛
CPC International	53	+⅛
CSX	30⅛	−½
Cabot	42½	+¼
Cameron Iron	21⅛	....
Campbell Soup	33⅛	....
Can Pacific	19⅝	....
Cannon Group	4¼	....
Cap Cities ABC	380	+⅜
Capital Hldgs	35⅛	+1
Carlisle Cos. Inc	36⅞	....
Carolina Power	35⅞	+⅛
Carpenter Tech	47¼	+⅜
Carter Hawley	8⅛	+⅛
Caterpillar	57	+⅛
Centel	65⅛	+1
Centerior Energy	12⅞	−⅛
Centex	28¾	+⅛
Central & S.W.	30⅛	+⅛
Champ Home Bldrs	3⅞	....
Champ Intl	30½	+⅛
Charter Co	5	+⅛
Chase Manhattan	37⅛	+⅛
Chemical Bkg. Corp.	36	+⅝
Chevron	52⅛	+⅛
Chrysler	24⅞	+⅛
Chubb	67¼	+⅝
Cigna	53¼	−⅛
Cincinnati Mil	22⅞	....
Citicorp	29½	+⅛
Citizens & Sthn	26⅞	..
Clark Equipment	33⅝	−⅛
Cleve Cliffs Inc	27⅛	+⅛
Clorox	31⅞	−⅛
Coastal Corp	34	−⅛
Coca Cola	50⅝	+⅛
Coca Cola Ent	16⅛	−⅛
Colgate Palm	47⅞	+⅛
Columbia Gas	34⅛	+⅛
Combust'n Eng	26⅛	+⅛
Commonwlth Ed	32⅛	−⅛
Comm Satellite	29⅛	+⅛
Compaq Computer	72¾	+1½
Comp Science	49	+⅛
Conagra	32½	+⅛
Cons Edison	45½	+⅛
Cons Freight	30⅛	+⅛
Con Nat Gas	39¼	+⅛
Cons Paper	35½	+¼
Cons Rail	32⅛	..
Cont'l Bank Corp	21⅛	+⅛
Cont'l Corp	31⅛	−⅛
Cont Tel Corp	50⅛	+⅛
Control Data	20⅛	+⅛
Cooper Inds	54⅛	+⅛
Coors Adolph	18⅛	−⅛

March 31	US$	+ or −
Copperweld	14½	+⅛
Corestates Finl.	43¼	+⅜
Corning Glass	33¼	....
Corroon & Black	32	+⅛
Crane	25⅛	+⅛
Cray Research	55	+⅛
Crown Cork	49	+½
Cummins Eng	63⅛	+⅝
Curtiss-Wright	53⅛	....
Cyprus Minerals	39	+⅛
Daisy Systems	4½	....
Damon	25⅛	−⅛
Dana	30	+½
Data Gen	12⅛	+⅛
Datapoint	3⅝	+⅛
Dayton Hudson	45⅛	+⅝
Deere	52⅛	+⅝
Delta Air	59	+⅞
Deluxe Corp.	27⅛	+⅛
Detroit Edison	17¼	+⅛
Diebold	43	....
Digital Equip	98	+⅛
Dillard Dept St	51¼	+⅛
Disney (Walt)	79⅛	+½
Dominion Res	40⅛	+⅛
Donnelley (R.R)	36⅞	+⅜
Dover Corp	27⅞	+⅛
Dow Chemicals	91⅞	+⅜
Dow Jones	31⅝	+½
Dravo	19	−⅛
Dresser	37	+⅜
Duke Power	44⅛	+⅝
Dun & Bradstreet	50⅛	+⅜
Du Pont	102⅛	....
Duquesne Light	18	+⅛
E G & G	30⅝	+⅛
E-Systems	28	−⅛
Eastern Gas & F	25⅛	+½
Eastman Kodak	45⅝	+⅝
Eaton	57⅛	+⅛
Echlin Inc.	16	−⅛
Emerson Elect	30½	+⅛
Emery Air Freight	7⅛	....
Emhart	39½	....
Engelhard Corp	21⅝	+⅛
Enron Corp	38¼	+⅛
Enserch	19½	+⅛
Ethyl	24⅝	+⅛
Exxon	43⅛	+⅛
FMC	34½	....
FPL	29½	....
Fedders	12⅛	+⅛
Federal Express	45⅛	+⅛
Federal Mogul	52⅛	+⅛
Fed Nat Mort	63⅛	+⅛
Fed Paper Brd	24⅞	−⅛
Firemans Fd Co	33⅛	....
First Bk Systems	20⅝	+⅛
First Chicago	37⅝	+⅛
First Executive	15⅝	+⅜
First Interstate	47⅛	+⅛
First Mississippi	17⅝	+⅛
First Penn	12	+⅛
First Union	18⅞	....
First Wachovia	41⅝	+½
Fisbach	16⅞	+⅛
Fleetwood Ent	28⅝	+⅛
Florida Progress	33½	−⅛
Fluor	23	−⅛
Food Lion Inc A	10	....
Ford Motor	48⅞	....
Foster Wheeler	16⅞	+⅜
Freeport McMoran	34⅛	+⅛
GAF	52	+⅛
GATX	56½	+⅛
GEICO Corp	125¼	+½
GTE Corp.	45¼	+⅛
Gallagher (A.J.)	17⅝	....
Gannett	37½	+⅛
Gap Inc. Del.	39⅝	+½
Gen Am Invest	12	−⅛
Gen Cinema	25⅛	....
Gen Dynamics	54	+⅛
Gen Electric	44⅛	+⅛
Gen Instruments	27⅛	−⅛
Gen Mills	59⅝	+⅛
Gen Motors	41⅛ xc	+⅛
Gen Pub Utilities	37¼	+⅜
Gen Reinsurance	66⅛	+⅜
Gen Signal	49⅛	....
Gen Tire	17⅞	+⅛
Genentech	17¼	....
Genrad	6⅛	+⅛
Genuine Parts	36⅞	+⅜
Georgia Pac	42⅛	+⅛
Gerber Prod	66⅞	−⅛
Gillette	35⅛	−⅛
Global Marine	⅞	....
Golden West	35⅛	+⅛
Goodrich (B F.)	51⅝	−⅛
Goodyear Tire	48⅛	+⅛
Grace (W. & R.)	30⅛	−⅛
Grainger (W.W.)	54⅛	+⅞
Gt Atl Pac Tea	50	....
Gt Nthn Nekoosa	39⅛	+⅛
Gt West Financial	15⅛	....
Greyhound	30⅛	+⅞
Grow Group	13⅛	−⅛
Grumman	27	−⅛
Gulf & Western	47⅛	+½
Gulf States Utl	8⅝	....
Hall (FB)	35⅛	+⅛
Halliburton	30⅛	....
Hanna (MA) Co.	24	+⅛
Harcourt Brace	9⅞	+⅛
Harris Corp	28¼	....
Harsco	25	−⅛
Hecla Mining	12⅛	....
Heinz (HJ)	49⅛	+⅛
Helmerich & P	25⅝	+⅛
Hercules	47⅛	....
Hershey Foods	26⅛	+⅜
Hewlett Pkd	51	+½
Hilton Hotels	57⅛	+⅛
Hitachi	115½	+⅛
Holiday Corp	29⅛	+⅜
Home Depot	36⅛	+⅛
Homestake	13⅛	−⅛
Honeywell	66	+1⅛
Hormel (Geo)	27⅛	+⅜
Household Intl	66	−⅛
Houston Inds	27½	+⅛
Humana	29½	+⅛
IP Timberland	20⅛	−⅛
ITT	52⅛	+⅛
Ideal Basic Ind	2⅛	+⅛
Illinois Power	14⅛	+⅜
Illinois Tool	33⅞	−⅛
ICI ADR	79½	+⅛
Imp Corp Amer	6½	....
INCO	29⅛	+⅜
Ingersoll Rand	37⅛	+⅛
Inland Steel	42½	+1⅛
Intel	26⅛	+1⅛
Interco	2⅞	....
Intergraph Corp	14¾	+⅛
Interlake	39⅛	+⅛
IBM	109⅛	+½
Intl Flavours	51⅛	+1
Intl Income Pro	12⅝	−⅛
Intl Min & Chem	40⅛	+⅛
Intl Multifoods	27⅛	−⅛
Intl Paper	45⅛	−⅛
InterTAN	47⅛	+1⅛

March 31	US$	+ or −
Jaguar Adr	5⅛	....
James River Va	28⅛	+⅛
Jeffn Pilot	33⅛	+⅛
Johnson Controls	34⅛	+⅜
Johnson & Jns	90¼	+⅛
K Mart	39⅝	+⅝
Kaneb Services	2⅛	+⅛
Kellogg	62⅞	+1⅛
Kemper	32¼	....
Kennametal	29	−⅛
Kerr-Mcgee Corp	44	+⅛
KeyCorp	23⅝	+⅛
Kimberly-Clark	60⅞	+1⅛
Knight-Ridder	44⅛	+⅝
Kroger	10⅝	+⅛
LTV Corp	2⅛	+⅛
Lilly (Eli)	102⅛	+⅛
Limited Inc.	28⅛	+½
Lin Broadcasting	87¼	+1½
Lincoln Nat Corp	49⅞	+⅞
Litton Inds	76	+⅜
Liz Claiborne	17	+⅛
Lockheed	46½	−⅛
Loews Corp	88	+1⅛
Lone Star	29⅞	−⅛
Lone Star Tech	9⅞	−⅛
Long Island Light	15	....
Longs Drug Strs	34⅞	....
Loral Corp.	34⅛	−⅛
Lotus Dev. Corp	20	−⅛
Louisiana Land	34⅛	+⅜
Louisiana Pacific	30⅞	+⅜
Lowe's	23⅝	+⅝
Lubrizol	56⅞	−⅛
M A Comm. Inc.	7⅛	....
MCA	53	+⅞
MCI Comm.	28⅝	....
Mack Trucks	15⅝	....
Manfc. Hanover	35⅞	+⅛
Manville	7⅛	....
Mapco	61⅞	+⅛
Marion Labs	24⅞	....
Marriott	30½	+⅛
Marsh MacLennan	61⅛	+⅞
Martin Marietta	45⅛	....
Masco Corp.	25⅛	+⅛
Mass Mutl Corp	33⅛	....
Mattel	12	+⅛
Maxus Energy	7⅞	+⅛
May Dept. Strs	38⅛	+⅜
Maytag	19⅞	−⅛
McDermott	17⅝	....
McDonalds	51⅝	−⅛
McDonnell Douglas	91⅞	−⅝
McGraw Hill	67⅞	+⅛
McKesson	30⅛	+⅛
Mead	36⅞	−⅛
Medtronic	86⅛	−⅛
Mellon Bank	28⅛	+⅛
Melville	41⅛	+⅛
Mercantile Strs.	41⅛	+⅜
Merck	64⅛	−⅛
Meredith	30½	....
Merrill Lynch	27⅞	+⅛
Mesa Ltd. P'ship	12⅛	....
Microsoft Corp.	49⅛	−⅛
Mid Sth Util	17	+⅛
Millipore Corp.	31⅛	+⅛
Minnesota Mine	66⅞	....
Mitchell Energy	13⅝	−⅛
Mobil	49⅝	+½
Monasco	30⅞	....
Molex Inc	31	....
Monarch M/T	18⅛	+⅛
Monsanto	94	+½
Morgan (J.P.)	39⅛	+⅜
Morgan Stanley	61⅛	−⅝
Morrison Knudson	40	+⅛
Morton Thiokol	44⅛	+⅛
Motorola	41	−⅛
Multimedia	88½	+2
Mooningwear	3⅞	−⅛
Murphy Oil	35⅛	+½
NWA	83⅝	+15⅛
Nalco Chemical	36⅞	+½
Nat. Intergroup	17⅛	+⅛
Nat Medical Ent	27⅛	−⅛
Nat Semicondtrs	7½	+⅛
Nat Service Ind	24⅞	+⅛
NatWest Bank	30	+⅛
Navistar Intl	5⅞	....
NBD Bancorp	39⅛	+⅛
NCNB	35	−1⅛
NCR	55⅛	−⅛
Network Systems	9⅝	....
New England Elec.	22⅞	+⅛
NY State E & G	22⅞	+⅛
NY Times	26⅜	....
Newmont Mining	39⅝	+⅛
Niag Mohawk	11⅞	....
Nicor Inc	30⅞	....
Nike B	33⅛	....
NL Industries	22⅛	+⅛
Noble Affiliates	11⅝	−⅛
Nordstrom	33⅛	+⅛
Norfolk South'rn	32⅞	+1⅛
N American Coal	36½	....
Northeast Util	19⅝	−⅛
Nthn Indiana PS	13⅝	....
Nth State Power	30⅝	+⅛
Northrop	27⅛	+⅜
Norwest Corp	36⅛	+⅜
Norton	45⅝	+⅛
Novo Inds ADR	42⅛	−⅛
Nynex	70⅛	+⅛
Occidental Pet	27	+⅛
Ocean Drilling	17⅛	−⅛
Ogden	27	−⅛
Ogilvy Group	32⅛	−⅛
Ohio Casualty	39⅛	....
Ohio Edison	20⅛	....
Olin	52	....
Oneok Inc	21⅛	−⅛
Orient Express	3⅞	−⅛
Outboard Marine	35⅛	−⅛
Overseas Ship	19⅛	....
Owens Corning	27⅞	+⅛
PHH Group Inc	33⅛	−⅛
PNC Financial	41	+⅜
PPG Industries	43⅛	−⅛
PSI	12⅛	+⅛
Paccar	47⅛	−⅛
Pac Enterprises	40⅛	−⅛
Pac Gas & Elect	17⅝	+⅛
Pacificorp	34⅛	....
Pacific Telecom	19⅝	−⅛
Pacific Telesis	35	....
PaineWebber	17⅛	+⅛
Pall	28	+⅛
Pan Am Corp.	4⅛	+⅜
Panhandle Eastern	20⅛	+⅛
Parker Drilling	5⅛	−⅛
Parker Hannifin	28	+⅛
Penn Central	23⅛	....
Penney (J.C.)	53⅝	−⅛

March 31	US$	+ or −
Penn Pwr. & L	34⅞	....
Pennwalt Corp	130⅛	+⅛
Pennzoil	83½	−⅛
People's Energy	21	+½
Pepsico	44	−⅛
Perkin Elmer	21⅛	....
Petrie Stores	19½	−⅛
Pfizer	57⅛	+⅛
Phelps Dodge	54½	+⅛
Philadel Elect	19⅝	....
Phillip Morris	120⅛	+⅞
Phillips Pet	22⅞	+⅛
Pic 'N' Save	15⅛	....
Pinnacle W Cap	14⅛	−⅛
Pioneer Hi Bred	36⅛	+⅛
Pitney Bowes	42⅞	+⅛
Pittston	19⅝	+⅛
Plessey	43	−⅛
Pogo Producing	4⅞	−⅛
Polaroid	37⅛	+⅛
Policy Mgt. Sys.	23	+⅛
Potlatch Corp	31⅛	....
Potomac El. Pwr.	19⅝	−⅛
Prab Robots	4⅛	−⅛
Premier Ind.	26⅞	....
Price Co	35⅛	....
Primark	7⅞	....
Prime Computer	17⅛	−⅛
Prime Motor Inns	24⅞	+⅛
Procter & Gamble	92	−⅛
Prov. Life	27	+⅛
Pub Serv E & G	24⅛	+⅛
Puget Sound	18⅝	−⅛
Quaker Oats	52½	+⅛
Quanex	17⅞	+⅜
Quantum Chemical	49⅞	−⅛
Ralston Purina	82⅛	+1⅛
Ramada Inns	11⅛	−⅛
Rank Org ADR	12⅛	+⅛
Raychem	33	+⅛
Raytheon	67⅞	+⅛
Reading Bates	⅛	....
Reebok Intl.	14¼	+⅛
Reynolds Mtls	53	+⅜
Rite Aid	33⅛	+⅛
Roadway Servs.	30	+⅛
Robins (AH)	26⅞	+⅛
Rochester Gas	17	−⅛
Rockwell Intl	27	....
Rohm & Haas	32½	+⅛
Rollins, Inc.	17⅛	−⅛
Rouse	26⅛	....
Rowan	6⅞	−⅛
Royal Dutch	62⅛	−⅛
Rubbermaid	28⅞	+½
Ryder System	24⅛	−⅛
Rymer Co	12	....
SPS Technology	50½	....
Safeco	28⅛	+⅜
Safety-Kleen	27½	+⅛
St Paul Cos	48	....
Salomon Inc	24⅞	....
San Diego Gas El	37⅛	....
Santa Fe S Pac	21⅛	+⅛
Sara Lee Corp	48⅞	+⅜
Schering Plough	63½	−⅛
Schlumberger	37⅞	−⅛
Scientific Atl	14⅛	−⅛
Scott Paper	40⅛	....
Scripps-Howard	57⅛	....
Sea Containers Ltd	46	−⅛
Seagate Tech	12⅛	−⅛
Seagram	69⅝	+⅜
Sealed Power	37⅞	....
Sears Roebuck	43⅞	+⅛
Security Pac	40⅛	+⅛
Service Corp Intl	18	....
Service Master	21⅞	−⅛
Shared Med	17⅞	....
Shell Trans.	39⅝	−⅛
Sherwin Williams	27½	+⅛
Sigma Aldrich	45½	+⅛
Skyline	19⅛	+⅛
Slattery Gp Inc	32⅛	+⅛
Smith Int'l.	10½	−⅛
Smithkline Beck	58⅞	+2⅛
Snap-On-Tools	36⅛	+⅛
Sonat	31	+⅛
Sonoco Prods.	33⅛	+⅛
Sony	51	−⅛
Southeast Bank	24⅝	+1⅛
Sthn. Cal. Edison	31⅛	+⅛
Southern Co	23⅛	−⅛
Sthn.N.Eng.Tel	64⅛	+⅛
Southwest Airlines	25⅞	+⅛
Southwestern Bell	44⅞	....
Spring Inds.	40⅛	+⅜
Square D. Co	53⅛	+⅜
Squibb	67⅝	+½
Std. Brds. Paint	14⅝	−⅛
Std. Prods. Co	27⅞	+⅛
Stanley Works	31⅛	−⅛
Storage Technol	21⅛	....
Stratus Computer	27⅛	+⅛
Subaru America	7⅛	−⅛
Sun Company	35⅛	−⅛
Sundstrand	56⅛	+⅞
Sun Microsystems	26⅛	....
Suntrust	21⅝	+⅛
Super Valu Stores	24⅝	+⅛
Syntex	42⅛	+⅛
Sysco	43⅛	+⅜
Tie Comms	1⅛	....
TRW Inc	44½	+⅛
TW Services	31⅝	....
Tambrands	61	+⅜
Tandem Comp	17⅛	+⅛
Tandon	⅞	−⅛
Tandy	42	−⅛
Tektronix	21	+⅛
Telecom Corp.	1⅛	....
Teledyne	350⅛	+1⅞
Telerate	14	−⅛
Temple Inland	51	+⅜
Tenneco	51	+1
Tesoro Petrol	12⅛	....
Texaco	53	....
Texas Air	12⅞	+⅛
Texas Eastern	50⅛	....
Texas Instruments	39⅝	+⅛
Texas Utilities	27⅞	−⅛
Textron	26⅞	+⅛
Thomas Betts	46⅞	+⅛
Tidewater	9⅛	....
Time Inc	116	+⅜
Times Mirror	35⅛	+½
Timken	35⅛	+½
Tom Brown	5⅛	....
Tonka Corp	14	....
Torchmark	32⅛	+⅛
Tosco	4⅞	+⅛
Total Petrol	22⅞	+⅜
Toys R US	38	....
Transamerica	33⅞	+⅛
Transco Energy	35⅞	....
Travelers	39	....
Tribune	43	+1⅛
Tri Continental	19⅞	....
TRINOVA Corp	27⅝	−⅛
Triton Energy	12⅝	−⅛
Tyco Labs.	35⅝	−⅛
Tyler	7⅛	−⅛
Tyson Foods	14⅛	....
UAL	127½	+3
UST Inc.	24⅛	+⅛
USX Corp	33	+½

March 31	US$	+ or −
Unilever N.V.	61⅛	+⅛
Union Camp	35	+⅛
Union Carbide	28⅛	−⅛
Union Electric	23⅞	−⅛
Union Pacific	65¼	+⅜
Unisys Corp.	26	....
United Brands	14½	....
United Cable TV	37⅞	+⅛
Unocal Corp	42⅛	+1
USAIR Group	41½	+½
USF & G	31⅛	−⅛
US Home	1⅛	−⅛
US Shoe	18⅝	−⅛
US Surgical	34⅞	....
US Trust	42	....
US West	62⅛	−⅛
Utd Technology	45⅞	+⅛
Utd Telecomms	54⅞	−⅛
Upjohn	28	....
VF	33⅛	....
Valero Energy	14⅛	+⅛
Varian Assocs	25⅞	−⅛
Varity Corp	2.62	....
Vulcan Materials	43	....
Wainoco Oil Co	7⅛	+⅛
Walgreen	35⅛	+⅛
Wal-Mart Stores	32⅞	+⅛
Wang-Labs B	8⅛	....
Warner Comms	45⅞	+⅛
Warner-Lambert Co	84⅝	+1⅛
Washington Post	211⅛	+⅞
Waste Management	44⅛	+⅛
Watkins-Johnson	24⅛	−⅛
Weis Markets	29½	....
Wells Fargo	68⅝	+⅛
Wendy's Intl	6⅛	....
W. Point Pepperell	57⅝	+⅛
West N. America	⅛	....
Western Publish	18⅝	+⅛
Western Union	2⅛	....
Westinghouse	53⅛	....
Westvaco	28⅞	....
Weyerhaeuser	26⅝	....
Wheeling Pitts	12½	−⅛
Whirlpool	28⅛	+⅛
Whitman Corp.	31⅛	+⅛
Whittaker	46⅛	....
Willamette Ind	44	+⅛
Williams Co	30	+⅛
Winn Dixie Store	46⅛	+⅜
Winnebago	8⅛	....
Wisc Elec Power	29⅛	....
Woolworth	50⅛	−⅛
Worthington Ind	21⅛	....
Wrigley (Wm.) Jnr.	57⅞	+⅛
Xerox	59⅛	+⅛
Yellow Frt.Sys	27⅛	+½
Zapata	2⅛	−⅛
Zayre	25⅛	+⅛
Zenith Elec	18⅝	....
Zero Co	18⅛	+⅛

CANADA (2 pm)

March 31	Can. $	+ or −
Abitibi	19⅛	....
Abitibi Res	0.09	....
AMCA Intl	4⅛	+
Agnico Eagle	11⅞	....
Alberta Energy	16⅞	+⅛
Alcan Aluminium	37½	+⅛
Bank Montreal	28⅛	+⅛
Bank Nova Scotia	14⅝	....
B.C.E.	36⅞	....
Bombardier	12⅛	....
Bow Valley	15⅛	+⅛
BP Canada Res	18⅝	−⅛
Brascan A	26½	−⅛
CAE Inds.	11⅝	−⅛
CT Financial	21⅛	....
Cambior	13½	+⅛
Can NW Energy	8	....
Can Packers	12⅛	−⅛
Can Imp Bank	26⅛	+⅛
Can Pacific	23⅛	+⅛
Can Tire A	19⅛	....
Can For	27	....
Cominco	27	+⅛
Conigas Mines	1.40	....
Cons Bathst A	24⅛	....
Corenark Intl	4.90	....
Coscan Dev	12½	−⅛
Denison Mines A	5.37	−0.12
Dofasco Inc	27⅞	+⅛
Domtar	15	+⅛
Echo Bay Mines	18	+⅛
Falconbridge	30	+⅛
Fed Inds. A	15⅝	+⅛
Candis Inds A	20⅞	+⅛
Giant Y'knife	11⅝	−⅛
Gulf Canada Res	15	+⅛
Hawker Sid Can	24⅞	+⅛
Hudson's Bay	26⅛	+⅛
Imasco	31⅛	+⅛
Imperial Oil A	53½	+⅛
Inco	34⅞	+⅛
Interhome Energy	45	−⅛
Int'l. Thomson	16⅛	....
Labatt	22⅛	....
Lac Minerals	12⅛	....
Laidlaw Trans. B	16⅞	....
Laurentian Gp	6⅛	....
Lawson Mardon A	12⅛	+⅛
Loblaw	11⅛	+⅛
Macmillan Bloedel	18⅝	....
Magna Intl	13⅝	....
Metall Mining	12⅞	−⅛
Mitel Corporation	3.00	[illegible]
Molson Cl A	32⅛	+⅛
Moore Corp	33⅞	+⅛
Nat. Bk of Canada	12⅞	+⅛
NBS	1⅛	....
Nat Sea Products	10	....
Noranda Mines	23	+⅛
Norcen Energy	27⅛	+⅛
Northern Telecom	18	....
Nova	12	....
Numac Oil	9⅛	−⅛
Oakwood Pet	1.00	....
Pan Can Pet	27	−⅛
Placer Dome	16	−⅛
Power Corp	15⅛	−⅛
Provigo	10⅛	+⅛
Quebec Sturgeon	2.25	....
Ranger Oil	7.12	+0.12
Reed Stenh'se	30½	+⅛
Repap Ent	12	+⅛
Royal Bank	39⅛	....
Royal Trust A	16⅛	+⅛
Sceptre Res	4.20	....
Seagram	82¼	+½
Sears Can Inc	12⅛	....
Shell Canada A	47⅛	−⅛
SHL Systemhouse	10	+⅛
Southam	31⅛	....
Stelco	23⅛	+⅛
Teck B	19	....
Texaco Canada	40⅛	+⅛
Thomson New	26⅞	−⅛
Toronto Dom Bk	38	−⅛
Transalta	13⅛	....
Trans Can. Pipe	16.00	−0.12
Varity Corp	3.25	....
Westcoast Energy	17	+⅛
Weston (Geo)	38⅛	....

AUSTRIA

March 31	Sch	+ or −
Creditanstalt	2,700	+230
Goesser	3,990	+20
Interunfall	15,550	+450
Jungbunzlauer	11,400	+300
Laenderbank	440	+20
Perlmooser	770	−15
Reininghaus	1,365	−5
Semperit	211	+1
Steyr-Daimler	81	....
Veitscher Mag	850	+5

BELGIUM/LUXEMBOURG

March 31	Frs.	+ or −
B.B.L.	3,640	....
Bank Intl. a Lux	14,500	....
Banque Gen. Du Lux	14,400	....
Banque Nat. Belg	37,450	+250
Bekaert B	15,025	....
Ciment. CBR	6,450	+10
Cobepa	5,790	+80
Do. AFV 1	5,800	+150
Do. AFV 2	5,720	+10
Cockerill	368	−3
Colruyt	14,100	....
Delhaize	5,260	....
EBES	4,735	+75
Do. AFV 1	4,630	+60
Do. AFV 2	4,620	+45
Fabrique Nat.	620	−8
GB Inno BM	1,272	−10
Do. AFV	1,290	....
GBL (Brux)L	4,270	+20
Do. AFV 1	4,250	+20
Do. AFV 2	4,250	+20
Do. AFV 3	4,250	+20
Gechem	820	+18
Do. AFV	778	+28
Generale Bank	6,330	....
Do. AFV 1	6,400	+50
Do. AFV 2	6,640	−150
Gevaert	8,500	+170
Hoboken	16,050	+50
Do. AFV	15,975	+150
Intercom	3,720	−5
Do. AFV 1	3,680	+15
Do. AFV 2	3,695	+15
Kredietbank	4,650	−50
Do. AFV	4,570	....
Pan Holdings	13,800	....
Petrofina	12,475	....
Raffinerie Tirle	1,680	+10
Royale Belge	5,400	+50
Do. AFV 1	5,130	....
Do. AFV 2	5,220	−80
Soc Gen Belge	4,680	....
Do. AFV	4,605	−45
Sofina	11,950	+50
Solvay	12,050	+200
Stanwick Intl	162	....
Tessenderlo	6,250	+50
Do. AFV	6,190	+90
Tractebel	9,010	+20
Do. AFV 1	8,980	+80
Do. AFV 2	8,950	+10
Do. AFV 3	8,890	....
Do. AFV 4	9,050	−50
UCB	10,025	−75
Do. AFV	9,890	+70
Unerg	2,650	+30
Do. AFV 1	2,600	+30
Do. AFV 2	2,645	+15
Wagons Lits	7,590	+140
Do. AFV	6,820	+20

DENMARK

March 31	Kr	+ or −
Baltica Hldgs	473.1	....
Carlsberg	1,140	....
Cop Handelsbank	285	....
D. Sukkerfab	634.5	−0.9
Den Danske Bank	304	−0.3
East Asiatic	300.3	+0.6
GNT Holding	255	+5
I.S.S. B Systems	740.4	+8.8
Jyske Bank	438	−0.5
Nordisk Kabel	585	....
Novo Inds	311.2	....
Privatbanken	286.3	+1.1
Royal C'hagen A	370	....
Smidth (FL) B	2,993.3	....
Sophus Berendsen	1,138.6	−5
Superfos	4,830	....

FINLAND

March 31	Mka	+ or −
Amer	154.5	+0.5
Finnish Sugar	84	+4
Huhtamaki I Free	83.25	+1
Huhtamaki K Free	160	....
KOP	62	+2.25
Kone	396	+12.25
Kymmene	137.5	+1
Nokia	122.5	+2.5
Pohjola 'B'	113.5	+2
Rauma-Repola	40	−0.125
Stockmann 'B'	202	+1.5
UBF 'C'	31.5	+0.25
Utd. Paper Prf.	138.5	....
Wartsila (I.J.)	330	+17

FRANCE

March 31	Frs.	+ or −
Accor	606	+5
Afrique Occiden	2,009	−11
Air Liquide	592	+8
Alcatel	2,975	+24
Alsthom	556	+11

FRANCE (continued)

March 31	Frs.	+ or −
Arjomari-Prioux	2,570	+19
Autoliare d'Est	895	+6
BIC	761	+33
BSN	671	−1
Bancaire Cie	520 xr	−3
BNP (Cert.Inv.)	309	−2
Beghin-Say	640	....
Do. Certs	405	+4
Bongrain	3,150	+30
Bouygues	565	+9
Carnaud	625	....
Carrefour	3,549	+8
Casino	219	+0
Cetelem	739	....
Chargeurs	1,370	−15
Ciments Fr.	1,315	+18
Club Mediterranee	555	+13
Coflmeg	340	+5
Cogifi	356	+2
CSE	428.5	....
Coparex	340	−1
Cred Foncier Fr	891	+6
Credit National	1,058	+8
Damart	2,985	−15
Docks de France	3,230	−35
Dollfus-Mieg	487	−6
Dumez S.A.	889	+20
Eaux (Cie Gen)	1,596 xr	+6
Ecco	1,820	....
ElectroRe'e	890	−5
Elf-Aquitaine	448	+2
Do. Certs	373	+0
Epeda-Bertrand	1,245	+44
Essilor	3,291	+41
Eternit (Fin.)	2,761	−26
Euraf rance	1,999	....
Eurocom	1,270	−12
Euromarche	2,545	+26
Exor	1,255	+9
Finextel	207	+4
Fonciere Lyons	535	+13
Fromageries	1,647	−18
GTM-Entrepose	1,250	+34
Gaumont (Soc N)	577	....
Gen Geophysique	579	+12
Gen.Occidentale	629	+4
Hachette	337	−3
Havas	770	+5
Imetal	382.1	−3.9
Immeubles de Fr	1,010	−20
Immeubles Pl Mon	393	+2
Immobanque	717	+3
Industrielle	3,890	+14
Interbail	531	+4
Intertechnique	1,445	−5
LVMH	3,940	+44
Lafarge Coppee	1,484	+9
La Henin	547	−3
L'Oreal	4,275	+35
Legrand	3,600	+75
Locafrance	445	+2
Lyons. des Eaux	1,590	+21
Maisons Phenix	85	−0
Matra S.A.	268	−0
Merlin-Gerin	4,150	+40
Michelin B	195	+1
Midi (Cie)	1,325	+3
Moulinex	124	+0
Navigation Mixt	1,080	−17
Nord Est	152	+4
Nouvelle Galer.	545	−3
OFP	1,340	−20
Orsan	479	....
Paribas	482	+7
Paris Reescompte	422	+7
Pechelbronn	1,020	−30
Pernod Ricard	1,215	−3
Perrier	1,695	+12
Peugeot S.A.	1,728	+3

JAPAN

March 31	Yen	+ or −
Ajinomoto	2,830	+30
Akebono Brake	880	+4
All Nippon Air	1,780	+10
Alps Electric	1,490	+30
Amada	1,300	−10
Amano	1,810	+50
Ando Construct	1,150	−20
Anritsu	1,990	+110
Aoki Corp.	1,500	+20
Arabian Oil	7,090	+190
Asahi Breweries	2,250	+10

INDICES

NEW YORK DOW JONES

	Mar 30	Mar 29	Mar 28	Mar 27	1989 High	1989 Low	Since compilation High	Since compilation Low
♦Industrials	2281.34	2281.52	2275.54	2257.86	2347.14 (7/2)	2144.64 (3/1)	2722.42 (25/8/87)	41.22 (2/7/32)
Home Bonds	87.44	87.39	87.43	87.48	89.62 (8/2)	87.35 (23/3)	-	-
Transport	1027.90	1032.02	1032.18	1011.80	1087.97 (7/2)	959.95 (3/1)	1201.16 (14/8/87)	12.32 (8/7/32)
Utilities	181.84	182.73	182.91	182.43	191.15 (24/1)	181.84 (24/2)	227.83 (22/1/87)	10.50 (8/4/32)

♦Day's High 2296.92 (2293.62) Low 2264.30 (2262.65)

STANDARD AND POOR'S	Mar 30	Mar 29	Mar 28	Mar 27	1989 High	1989 Low	Since compilation High	Since compilation Low
Composite ‡	292.52	292.35	291.59	290.58	299.63 (7/2)	275.31 (3/1)	336.77 (25/8/87)	4.40 (1/6/32)
Industrial	336.86	336.92	336.02	334.73	346.41 (7/2)	318.66 (3/1)	393.17 (25/8/87)	3.62 (21/6/32)
Financial	27.51	27.34	27.12	27.11	27.51 (30/3)	24.30 (3/1)	32.43 (25/8/87)	8.64 (1/10/74)
NYSE Composite	164.38	164.25	163.88	163.32	168.10 (16/3)	154.98 (3/1)	187.99 (25/8/87)	4.46 (25/4/42)
Amex Mkt. Value	325.47	325.58	325.45	325.50	332.52 (16/3)	305.24 (3/1)	365.01 (13/8/87)	29.31 (9/12/72)
NASDAQ OTC Comp	404.56	403.70	402.60	400.56	409.51 (16/3)	378.56 (3/1)	455.28 (26/8/87)	54.87 (31/10/72)

	Mar 17	Mar 10	Mar 3	year ago (approx.)
Dow Industrial Div. Yield	3.70	3.70	3.70	3.35

	Mar 15	Mar 8	Mar 1	year ago (approx.)
S & P Industrial div. yield	3.13	3.16	3.23	2.94
S & P Indl. P/E ratio	13.17	13.04	12.68	15.35

TRADING ACTIVITY † Volume Millions	Mar 30	Mar 29	Mar 28
New York	159.950	144.240	146.420
Amex	9.662	10.183	9.225
OTC	112.613	122.960	112.553

NEW YORK	Mar 30	Mar 29	Mar 28
Issues Traded	1,919	1,929	1,926
Rises	715	727	820
Falls	686	643	577
Unchanged	518	559	529
New Highs	45	36	35
New Lows	38	31	24

CANADA

TORONTO	Mar 30	Mar 29	Mar 28	Mar 27	1989 High	1989 Low
Metals & Minerals	3282.2	3265.0	3261.1	3249.2	3564.9 (6/2)	3207.5 (3/1)
Composite	3561.0	3561.0	3560.8	3555.5	3696.1 (8/2)	3350.5 (6/1)
MONTREAL Portfolio	1735.32	1770.90	1764.69	1799.22	1850.44 (8/2)	1677.48 (3/1)

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day
Illinois Power	4,310,900	13⅞	− 1⅞
BankAmerica	3,551,100	24½	+ ⅛
Citicorp	2,569,500	29½	+ 1
Freeport McMoran	2,432,600	34	+ ⅛
Brunswick	1,944,900	20⅛	+ 1
Wstn Co Na	1,934,000	⅛	−3/128
Black & Decker	1,818,800	18⅛	− ⅛
Sears Roebuck	1,738,200	43⅛	+ ⅛
IBM	1,652,400	109⅛	− ⅛
SmithKline Beckman	1,608,100	55⅛	+ 1

Base values of all indices are 100 except NYSE All Common – 50; Standard and Poor's – 10; and Toronto Composite and Metals – 1000. Toronto indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds. ‡ Industrial, plus Utilities, Financial and Transportation. (c) Closed. (u) Unavailable.

	Mar. 31	Mar. 30	Mar. 29	Mar. 28	1989 High	1989 Low
AUSTRALIA						
All Ordinaries (1/1/80)	1459.6	1467.0	1479.7	1486.7	1551.7 (31/1)	1448.1 (17/2)
All Mining (1/1/80)	673.2	680.3	688.7	694.6	727.0 (26/1)	654.6 (16/2)
AUSTRIA						
Credit Aktien (30/12/84)	285.34	280.14	277.03	277.96	285.34 (31/3)	219.5 (2/1)
BELGIUM						
Brussels SE (1/1/80)	5710.18	5688.37	5673.03	5656.02	5834.01 (10/2)	5519.30 (4/1)
DENMARK						
Copenhagen SE (3/1/83)	(u)	289.62	290.39	288.24	291.83 (10/2)	275.49 (27/2)
FINLAND						
Unitas General (1975)	791.8	784.0	781.4	779.8	791.8 (31/3)	723.3 (4/1)
FRANCE						
CAC General (31/12/82)	445.0	446.3	445.3	442.9	457.3 (6/2)	417.9 (4/1)
Ind. Tendance (30/12/88)	104.9	104.6	104.6	104.1	108.1 (3/2)	97.5 (27/2)
GERMANY						
FAZ Aktien (31/12/58)	553.97	552.12	550.29	549.14	569.27 (8/2)	535.76 (27/2)
Commerzbank (1/12/53)	1646.9	1641.5	1636.3	1633.1	1705.6 (5/1)	1595.7 (27/2)
DAX (30/12/87)	1322.66	1315.47	1309.26	1306.47	1371.10 (5/1)	1271.70 (23/2)
HONG KONG						
Hang Seng Bank (31/7/64)	3004.98	2980.76	3032.98	3033.03	3209.96 (9/2)	2706.69 (3/1)
ITALY						
Banca Com. Ital. (1972)	608.32	608.92	608.76	605.6	615.89 (17/1)	577.49 (28/2)
JAPAN						
Nikkei (16/5/49)	32838.68	32826.13	32737.28	32306.3	32826.13 (30/2)	30183.79 (5/1)
Tokyo SE (Topix) (4/1/68)	2469.15	2456.23	2447.59	2422.46	2490.07 (8/2)	2366.91 (6/1)
NETHERLANDS						
CBS Tr. Rtn.Gen.(End 1983)	229.3	228.5	227.7	227.9	229.5 (16/3)	208.3 (3/1)
CBS All Shr (End 1983)	183.4	182.7	182.2	182.3	185.6 (16/3)	166.7 (1/3)
NORWAY						
Oslo SE (2/1/83)	608.06	598.34	596.22	593.56	608.06 (31/3)	467.17 (2/1)
SINGAPORE						
Straits Times Ind. (30/12/66)	1189.78	1290.80	1194.63	1188.50	1194.63 (29/3)	1030.69 (4/1)
SOUTH AFRICA						
JSE Gold (28/9/78)	(u)	1592.0	1594.0	1629.0	1639.0 (23/3)	1291.0 (15/2)
JSE Industrial (28/9/78)	(u)	2427.0	2404.0	2421.0	2455.0 (20/3)	1961.0 (3/1)
SPAIN						
Madrid SE (30/12/85)	282.75	280.93	280.25	279.40	283.93 (17/1)	268.61 (1/3)
SWEDEN						
Jacobson & P. (31/12/56)	3870.6	3876.3	3884.6	3872.3	3889.9 (14/3)	3333.9 (3/1)
SWITZERLAND						
Swiss Bank Ind. (31/12/58)	658.4	657.6	658.5	654.9	658.5 (29/3)	613.1 (3/1)
WORLD						
M.S. Capital Intl. (1/1/70)	(u)	500.8	500.0	497.5	519.0 (17/2)	491.2 (28/3)

♦ Subject to official recalculation.
Base values of all indices are 100 except Brussels SE and DAX – 1,000 JSE Gold – 255.7 JSE Industrials – 264.3 and Australia, All Ordinary and Mining – 500; (c) Closed. (u) Unavailable.

WORLD STOCK MARKETS

Individual buyers and window dressers put paid to Tokyo dull patch

Worrying fundamentals failed to prevent a Nikkei average surge this week, writes **Ian Rodger**

EARLY this week, most analysts of the Tokyo market were more or less resigned to the idea that they were in for a rather long, dull patch.

Inflation worries were rising, trade frictions between Japan and the US were flaring and the domestic political scene was looking unsettled, to say the least. The Recruit scandal was bubbling along, a controversial 3 per cent consumption tax was about to be introduced and important elections were only four months away.

Then on Tuesday, the Nikkei average of 225 leading shares on the Tokyo Stock Exchange suddenly soared 794 points, the largest rise of the year. On Wednesday, it jumped another 431 points and rose a further 89 points on Thursday. Yesterday, it advanced a mere 12.55 points to 32,838.68, but the four-day total added more than 4 per cent to the market's value.

"So much for fundamentals," one analyst in Tokyo – who had obviously missed the fun – said grimly yesterday. Others pointed to reports that the Ministry of Finance had called in the big brokers and asked them to refrain from excessive dealing.

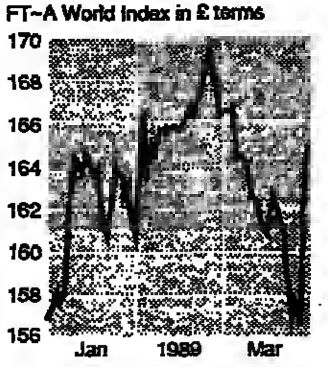
The public explanation for this week's sudden surge in the market is that investors were keen to buy shares at the beginning of the new fiscal year. Even though the new year only starts today, trading for the new account period, which starts on Monday, actually began on Wednesday and so they moved in immediately.

Analysts agree that this is at least part of the story. It has been noted, for example, that most of the action this week was by individuals. Both domestic and foreign institutions were said to be preoccupied by fundamentals and so were remaining on the sidelines. Also, the introduction of a new capital gains tax system, which also comes into effect today, may have encouraged individuals.

Opinions differ on the likely impact of the new tax system, under which investors can choose between paying a flat 1 per cent tax on all their purchases or 20 per cent on their capital gains.

Japan

FT–A World index in £ terms



The former system was rather vague, based on the notion that capital gains on something were free of tax as long as you were not making a living at it. Individual investors, therefore, never really knew if or when they would be liable for tax on their share trading. Some say individuals will feel more free to trade under the new system, others that they will tend to invest more for the longer term and so trade less.

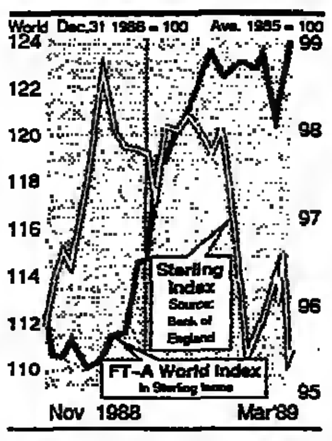
Analysts agree that the other main factor at work this week was plain old window dressing. Many institutional investors would have been unhappy if the fiscal year had ended yesterday with many of their shares showing large losses. Thus, there was some short-term buying aimed at generating enthusiasm for laggard shares.

Chemicals, for example, have underperformed the market badly in recent months, but suddenly returned to form this week. Mitsui Toatsu Chemicals, languishing at Y930 in the middle of last week when the market bottomed, finished yesterday at Y1,210, up a handsome 30 per cent. Mitsubishi Petrochemical jumped 33 per cent over the same period to Y1,970 and Asahi Chemical rose 19 per cent to Y1,340.

Tokyo would not be Tokyo if there weren't some peculiar passengers in a rally like this. One of the most active this week has been a company called Ichida & Co, Japan's largest kimono maker. Its shares have risen from Y1,680 on March 22 to Y2,130 yesterday, a gain of 26 per cent.

In any event, the prevalent view in Tokyo yesterday was that this wonderful rally was petering out, and investors would go back to looking at fundamentals. The main factor, it seems, is still the huge amount of funds available to invest in the market. Both optimists and pessimists believe this will again provide a strong foundation for the market in the coming fiscal year.

However, few are prepared to go beyond that and predict another banner year. Business confidence is still high, but corporate profits are unlikely to continue their very strong growth path of the past two years.



According to Sanwa Bank, pre-tax profits of 128 leading companies are likely to rise only 1.7 per cent this fiscal year, compared with a robust 62 per cent gain in the year ended yesterday.

"We are in a decelerating phase of the cycle, so I do not think you are going to see the upward revisions of profit forecasts that we had last year," said Mr Joe Williams of Alliance Capital Management in Tokyo.

Worries about inflation are also rising. The economy is operating near its capacity limits, oil prices are moving up, the yen has been weakening, trade unions are seeking big wage rises in the spring offensive and the new consumption tax is about to put a one-off 1 per cent on the consumer price index.

Ms Lynne Ross of brokers W.I. Carr in Tokyo was concerned about merchants taking advantage of the introduction of the consumption tax to raise prices. "I think there will be a lot of profiteering," she said.

Then there is the domestic political situation which has become more tangled than most analysts had expected. According to the latest polls, the Cabinet of Mr Noboru Takeshita has a support rating of somewhere from 9 to 13 per cent, a level which normally would have seen it sacked by the ruling Liberal Democratic Party. However, so many LDP leaders have been tainted by the Recruit scandal that it would be difficult to replace Mr Takeshita.

Meanwhile, trade tensions between Japan and the US have flared in recent days, and they will undoubtedly get worse following the publication of a huge Y7.7bn current account trade surplus and the US threat to invoke its new trade legislation against Japan.

Thus, there is a widespread expectation that the market will return to a dull phase in the near future until political and economic uncertainties ease. The question is whether it will do so immediately, as many expect, or whether there will first be a traditional rally to open the fiscal year.

Mr Michio Oikawa of Nomura Securities thinks both Japanese and foreign institutions will now come into the market and so it will remain strong until Golden Week, Japan's week-long holiday at the beginning of May.

AMERICA

NWA bid boosts airline sector

Wall Street

A SURGE in airline stocks, following Thursday night's announcement of a bid for NWA, pushed prices higher across the board on Wall Street, *writes Anatole Kaletsky in New York.*

However, gains outside the airline sector were modest and trading remained subdued. This was partly because of a reluctance by dealers in the bond and currency markets to take any big positions and thereby provide a lead for the stock market before the weekend meetings in Washington of the Group of Seven finance ministers and central bank governors.

By lunchtime, the Dow Jones Industrial Average was up 7.70 at 2,289.04. Trading was moderate with 85m shares changing hands on the New York Stock Exchange, where advancing shares outnumbered declining stocks by almost two to one.

Trading in bonds was extremely subdued before the weekend's meetings in Washington. The Treasury long bond was up ⅛ at 97⅞ in lunchtime trading. Its yield at this level was 9.14 per cent. Federal Funds traded throughout the day at 10 per cent, but analysts did not read anything into this higher-than-expected level, pointing out that it was probably distorted by end-of-quarter factors.

The Dow's modest gains belied the growing optimism expressed by some traders as a result of the takeover wave in the airline sector.

The Dow Transportation Index, which is seen by many market technicians as an important indicator of future movements in broader market averages, jumped 29.70 points to 1,057.68 in direct response to NWA's announcement.

NWA, whose main subsidiary, Northwest Airlines, is the fifth largest US air carrier, said on Thursday night that it had received an unsolicited takeover bid worth $80 a share from Mr Marvin Davis, the West Coast oil and property billionaire. The shares, which had already been the week's biggest gainers following the company's announcement that an investor group had accumulated almost 5 per cent of its stock, jumped $15¼ to $83½.

Although Mr Davis has had a patchy record as a corporate raider, arbitrageurs were particularly delighted when he disclosed that he held only 3 per cent of the company and was not the investor identified in the NWA announcement.

Other airline stocks all advanced in parallel with NWA. UAL, parent of United Airlines, jumped $3⅝ to $117⅝ and Pan Am rose $¼ to $4⅝ in heavy trading. Texas Air, which received two offers for its bankrupt Eastern Airlines subsidiary, also on Thursday night, rose $1¼ to $13¾.

Banking was the other sector which performed strongly. The money centre banks did well on hopes of progress towards a resolution of the Third World debt problem. Citicorp rose $⅛ to $29⅛.

Regional banks gained after the takeover of Citizens & Southern, the leading bank in Georgia, by NCNB. Citizens rose $8⅞ to $35⅝, while NCNB declined $1⅛ to $34⅞.

Canada

MODERATE trading left Toronto shares higher, as energy issues and gold and base metals stocks benefited from the rises in oil, bullion and nickel prices.

The composite index rose 8.8 to 3,569.7 on volume of 7.2m shares.

ASIA PACIFIC

Optimism sparks further small rise

Tokyo

EXPECTATIONS of further gains in equities encouraged investors to take an active part in the market, and share prices rose to their third consecutive record high, *writes Michiyo Nakamoto in Tokyo.*

The Nikkei average started well and finished the morning up more than 137 points. Share prices then lost ground, before recovering in late trading to close 12.55 higher at 32,838.68. The day's peak was 32,963.71 and the low 32,677.55.

Advances led declines by 545 to 373. Turnover surged to 1.59bn shares from 1.46bn. The Topix index of listed shares added 12.92 to 2,469.15 but, in London trading, the ISE/Nikkei 50 index lost 2.74 to 1,973.47.

Although the gain in the Nikkei index was not impressive, its rise in the wake of the sharp upturn of the past few days was a sign of the market's fundamental strength, said Mr Shin Tokoi at County NatWest.

The past few days have seen some window-dressing activity, and dealers actively buying on their own account led the Ministry of Finance on Thursday to inquire into such dealing. In spite of the Ministry's reported consideration of measures to restrict over-aggressive dealer activity, the matter was largely ignored by the market yesterday, which firmed on demand from individual investors.

The main cause for the continued enthusiasm of investors was optimism that share prices would maintain their upward momentum. They seemed prepared to ignore further news concerning the Recruit Cosmos share sale scandal: it was reported by a leading newspaper that Recruit had bought Y20m worth of tickets to a party given in support of Prime Minister Takeshita when he was secretary general of the ruling Liberal Democratic Party and considering running for prime minister.

Gains in some sectors were quite spectacular. Chemical stocks, in particular, enjoyed substantial rises. Mitsui Toatsu, second in volume terms with 60.6m shares, added Y70 to Y1,210. Mitsui Petrochemical firmed Y190 to Y2,170 and Mitsubishi Petrochemical advanced Y90 to Y1,970. Chemicals were selected partly as laggards and also as issues that trade in large volumes, which are favoured by institutional investors.

Large capital steels and shippings were also actively traded, although steels lost their upward momentum later in the day.

Laggards attracted interest in Osaka, where the OSE average posted another strong gain of 222.40 points to 31,388.37.

Roundup

ASIA PACIFIC markets put in a patchy performance yesterday, with Australia and Singapore ending weaker while Hong Kong was stronger.

AUSTRALIA closed lower for the third day running. The expiry of the March options series again affected underlying shares, while weakening gold and base metal prices, and the gloomy interest rate outlook meant most investors stayed on the sidelines. The All Ordinaries index ended 7.4 easier at 1,459.6 on turnover of 124m shares.

Leading industrials all fell, notably BTR Nylex, down 24 cents at A$8.90, and BHP, where news of A$743m nine-monthly profits and a one-for-10 bonus issue failed to prevent a fall of A$2 to A$7.60.

HONG KONG reversed course after Thursday's setback, regaining the 3,000 level on the Hang Seng index, which closed up 24.22 at 3,004.98.

Property stock Cheung Kong was the busiest issue of the session after news on Thursday of its 32 per cent higher profits, and added 5 cents to HK$9.95.

SINGAPORE weakened on profit-taking in active trading, with the Straits Times industrial index easing 1.02 to 1,189.78. But more stocks rose than fell, at 107 compared with 72, and turnover rose to 98.3m shares from 82.7m.

SOUTH AFRICA

GOLD shares were steady in Johannesburg. Highveld, which said it would raise the vanadium pentoxide price 66 per cent, rose R1.40 to R19.15.

EUROPE

Corporate news cheers leading bourses

THE WEEK ended on a positive note in Europe amid heavier trading as the firmer dollar and good local corporate news attracted renewed domestic and foreign interest, *writes Our Markets Staff.*

FRANKFURT finished the week firmly as both domestic and overseas investors returned to the market in the wake of a stronger dollar and the recent spate of good corporate results. Sentiment was also buoyed by comments from the West German Finance Minister which raised hopes that interest rates would not climb further. At midsession, the FAZ index was up 1.85 at 553.97 and, by the close, the DAX index had gained 7.19 to 1,322.66 on turnover worth DM3bn, the best of the week.

Banks were boosted by Thursday's better-than-expected profits from Deutsche Bank, up DM2 at DM516. Commerzbank added 70 pfg to DM240.70 and Dresdner Bank 20 pfg to DM315.

Automobile stocks were mostly better, with Daimler rising DM10 to DM665 on hopes that the German Economic Ministry will overrule the cartel office's objections to Daimler's takeover plans for aerospace group MBB.

PARIS was propped up by positive corporate results and finished firmer although well off the day's highs. The CAC 40 index ended up 0.98 at 1,641.18 and the OMF 50 index climbed 1.85 to 465.29.

Steel pipe producer Vallourec was popular again with turnover of 203,400 shares on reported stakebuilding, either by Tubacex of Spain – which already has a stake of about 10 per cent – or another investor. The stock rose FFr3.60 to FFr380.10.

Thomson-CSF managed to bounce back after early weakness caused by rumours that chairman Mr Alain Gomez would be replaced when his contract expires in June – something which is thought unlikely by French analysts. It fell 70 centimes to FFr218.90, having been as low as FFr214.

CGIP benefited from news of its 21 per cent higher group profits, rising FFr20 to FFr1,475, while Canal Plus eased on its profits announcement, losing FFr18 to FFr642.

MILAN closed steady in light trading as losses in the insurance sector wiped out early gains. At the close, the Comit index was unchanged at 608.92.

Generali, which has performed well in recent weeks on *speculative buying, fell sharply* in early trading as investors took profits. The shares were fixed an hour into the session at L43,000, down L340 on Thursday's close, and in after-hours trading Generali fell further to L42,900.

The other main feature was the performance of Banca Nazionale dell'Agricoltura. The shares were suspended on Tuesday after Credito Italiano – up L16 at L4,206 – failed to win control over BNA as expected. When they reopened yesterday, BNA dropped L3,170 to L13,830.

ZURICH was cheered by good results from engineering issue Brown Boveri and ended slightly higher, with the Crédit Suisse index rising 0.2 to 559.6.

Brown Boveri bearers rose SFr40 to SFr3,220 and its participation certificates put on SFr8 to SFr516 on better-than-expected earnings and an increased dividend. The positive sentiment fed through into Oerlikon Bührle, which saw its bearers jump SFr55, or 4.7 per cent, to SFr1,220.

Bearers in Forbo, the floor coverings manufacturer, rose SFr70 to SFr2,830 after news of its improved dividend.

AMSTERDAM edged slightly higher in response to the firmer dollar and higher crude oil prices. The CBS tendency index closed up 0.1 at 172.6.

Among leading stocks, Royal Dutch and chemicals group Akzo both rose 80 cents, to Fl 133.10 and Fl 149 respectively. The latter was buoyed by news that the company expects earnings this year at least to match those for 1988.

MADRID had a buoyant session as investors again bought car stocks because of their recent underperformance. The general index climbed 1.82 to 282.75 and volumes were said to be relatively heavy again.

Citroen Hispania added 70 points to 1,370 of par while insurance group Mapfre was also in demand, rising 35 to 1,710.

BRUSSELS had a thin day, with the cash market index adding 21.81 to 5,710.18. Generale Bank ended unchanged at BFr6,330 after news of a one-for-six rights issue priced lower than expected at BFr5,500 a share.

STOCKHOLM was also lacklustre, and the Affärsvärlden index ended down 1.8, at 1,129.1. Asea Brown Boveri recovered early losses to end SKr4 higher at SKr462 on its restricted A shares, after the group released its results.

OSLO rose to a second consecutive record high as the all share index closed up 4.91 at 448.25.

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS	THURSDAY MARCH 30 1989					WEDNESDAY MARCH 29 1989			DOLLAR INDEX		
Figures in parentheses show number of stocks per grouping	US Dollar Index	Day's Change %	Pound Sterling Index	Local Currency Index	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Local Currency Index	1988/89 High	1988/89 Low	Year ago (approx)
Australia (89)	135.73	−0.1	119.43	110.23	5.02	135.84	119.13	111.13	157.12	91.16	115.93
Austria (18)	108.93	+1.5	95.84	106.92	2.35	107.36	94.15	105.44	108.93	83.72	91.85
Belgium (63)	129.30	+0.5	113.77	126.59	4.12	128.60	112.78	126.22	139.89	99.14	134.14
Canada (124)	133.66	+0.3	117.60	115.51	3.32	133.25	116.86	115.40	137.27	107.06	122.19
Denmark (39)	169.10	+0.1	148.79	169.28	1.86	168.98	148.20	169.38	180.38	111.42	121.11
Finland (26)	148.23	+0.7	130.42	132.09	1.38	147.23	129.13	131.45	148.23	106.78	126.26
France (130)	115.05	−0.3	101.23	115.36	2.85	115.39	101.20	115.57	119.98	72.77	82.65
West Germany (102)	82.37	+0.2	72.48	81.07	2.34	82.20	72.09	80.83	90.40	67.78	78.35
Hong Kong (44)	126.17	−1.8	111.01	126.12	3.97	128.51	112.71	128.51	133.77	84.90	99.32
Ireland (17)	139.75	+0.0	122.96	139.60	3.65	139.81	122.61	139.64	146.46	104.60	122.83
Italy (98)	81.38	−0.1	71.60	84.36	2.40	81.44	71.42	84.39	86.88	62.99	78.37
Japan (456)	187.43	+0.3	164.92	157.28	0.48	186.81	163.83	156.88	200.11	133.61	172.90
Malaysia (36)	161.78	+0.2	142.35	172.00	2.70	161.46	141.60	172.00	161.88	107.83	119.22
Mexico (13)	165.72	+0.0	145.82	434.14	1.18	165.71	145.33	434.65	182.24	90.07	144.61
Netherland (39)	115.78	+0.1	101.87	112.82	4.48	115.66	101.43	112.57	117.71	95.23	107.03
New Zealand (24)	69.68	−0.8	61.31	60.16	6.55	70.23	61.59	60.60	84.05	63.32	76.24
Norway (26)	172.85	+0.2	152.09	160.95	1.79	172.51	151.29	160.74	174.29	98.55	124.81
Singapore (26)	146.15	−0.8	128.60	131.94	2.06	147.38	129.25	132.85	147.64	97.32	108.96
South Africa (60)	139.97	+0.2	123.15	126.69	3.99	139.75	122.56	125.97	142.88	98.26	130.21
Spain (42)	145.80	−0.6	128.28	130.00	3.72	146.74	128.69	131.06	164.47	130.73	150.87
Sweden (35)	157.75	+0.4	138.80	150.46	2.27	157.20	137.87	149.93	158.38	96.92	118.22
Switzerland (57)	74.23	−0.8	65.31	76.07	2.39	74.80	65.60	76.30	86.75	74.05	81.08
United Kingdom (314)	144.29	−1.3	126.95	126.95	4.41	146.17	128.19	128.19	153.33	120.66	136.31
USA (565)	119.17	+0.3	104.85	119.17	3.66	118.78	104.17	118.78	121.90	99.19	105.57
Europe (1006)	116.57	−0.6	102.56	109.19	3.57	117.29	102.87	109.67	120.88	97.01	107.93
Nordic (126)	149.75	+0.3	131.76	148.30	1.99	149.33	130.97	148.00	149.75	95.22	111.55
Pacific Basin (675)	182.77	+0.3	160.81	153.88	0.70	182.27	159.85	153.59	194.72	130.81	167.78
Euro-Pacific (1681)	156.29	+0.0	137.52	136.08	1.57	156.29	137.06	136.09	164.22	120.36	143.85
North America (689)	119.93	+0.3	105.53	118.97	3.64	119.55	104.84	118.60	122.71	99.78	106.46
Europe Ex. UK (692)	99.36	−0.1	87.42	98.20	2.89	99.42	87.19	98.19	103.11	80.28	90.33
Pacific Ex. Japan (219)	126.88	−0.7	111.64	111.09	4.49	127.82	112.10	112.35	137.65	87.51	105.93
World Ex. US (1878)	155.34	+0.0	136.68	135.43	1.64	155.32	136.22	135.42	162.77	120.26	142.97
World Ex. UK (2129)	141.05	+0.3	124.11	130.22	2.04	140.70	123.39	129.95	146.04	111.77	127.79
World Ex. So. Af. (2383)	141.33	+0.1	124.36	129.93	2.24	141.18	123.82	129.80	146.65	113.26	128.52
World Ex. Japan (1987)	119.21	−0.1	104.89	115.62	3.65	119.30	104.62	115.64	122.37	100.00	107.23
The World Index (2443)	141.32	+0.1	124.35	129.90	2.26	141.17	123.81	129.77	146.51	113.37	128.53

Base values: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.037 (US $ Index), 90.791 (Pound Sterling) and 94.94 (Local); Nordic: Dec 30, 1988 = 139.65 (US $ Index), 114.45 (Pound Sterling) and 123.22 (Local).

Champion Spark Plugs, GAF Corp, Hospital Corp.America (all US) and Cons.Bathurst (Canada) have been deleted with effect 30/3/89.

US index based on 3pm (local time) prices. Latest prices were unavailable for this edition.

LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Talisman system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the three previous days is given with the relevant date.

Rule 535(2) and Third Market stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

‡ Bargains at special prices. ♦ Bargains done the previous day.

Corporation and County Stocks
No. of bargains included10

- Greater London Council6¾% Stk 90/92 – £87½ 9 90
- Birmingham District Council11½% Red Stk 2012 – £109¼ (28Mr89)
- Islington Corp12.65% Red Stk 2007 – £112¾
- Kensington & Chelsea(Royal Borough) 11.15% Red Stk 2006 – £104½ 5 (29Mr89)
- Leeds(City of)13½% Red Stk 2006 – £116⅞
- Manchester(City of)11.5% Red Stk 2007 – £103¼
- Manchester Corp3% Red Cons Stk 1928(or after) – £28

UK Public Boards
No. of bargains included16

- Agricultural Mortgage Corp PLC6¾% Deb Stk 92/94 – £78
  - 6½% Deb Stk 85/90 – £92 3
  - 7¼% Deb Stk 91/93 – £87¼♦ 8¼♦
  - 10¼% Deb Stk 92/95 – £100
- Clyde Port Authority3% Irrd Stk – £27⅛
  - 4% Irrd Stk – £36½
- Port of London Authority3% Port of London A Stk 29/99 – £51⅞ 8
  - 3½% Stk 49/99 – £50 (29Mr89)
  - 6½% Reg Stk 87/90 – £94½
- Scottish Agric Sec Corp14% Deb Stk 1993 – £102 (29Mr89)

Foreign Stocks, Bonds, etc–(coupons payable in London)
No. of bargains included7

- BP America Inc14% Gtd Nts 1994 (Br$N1000&10000) – $N102 (28Mr89)
- Commonwealth Bank of Australia14% Nts 1994 (Br$A1000&10000) – $A97½ (29Mr89)
  - 15½% Nts 1994 (Br$A1000&10000) – $A101¼
- Council of Europe Resettlement Fund 11⅝% Bds 1992 – £98½ (29Mr89)
- Eksportfinans AS7⅝% Nts 1996 – $87 (29Mr89)
- General Motors Accept Corp Canada11% Nts 3/2/94 (Br$C1000&10000) – $C98¾ (28Mr89)
- Imperial Chemical Industries PLC10% Bds 2003 – £94½ (29Mr89)
- Investors in Industry Int'l BV7½% Gtd Nts 1993 (BrEC1000&25000) – EC93½
- Italy(Republic of)9% Nts 1990 – $98 (28Mr89)
- Kleinwort,Benson,Lonsdale PLC PrimCapUndFltgRateNts – $81¾ (28Mr89)
- Land Securities PLC6¾% Cnv Bds 2002 – £97½ (29Mr89)
- Leeds Permanent Building Society10⅝% Subord Bds 1998 (Br£5000) – £95.1 (29Mr89)
- Mitsubishi Corporation10¼% Nts 1995 – $99⅜ (29Mr89)
  - 12¾% Nts 1991 – $103¾ (29Mr89)
- Pearson PLCZero Cpn Bds 1992(Br£1000&5000) – £71¼♦ 2♦
- Ranks Hovis McDougall PLC4¾% Cnv Bds 2003 (Br£5000) – £114¼♦
- Redland Finance PLCZero Cpn Nts 1992 – £71¾♦ 2♦
- Royal Trustco Ld9¾% Debs 1992 (Br$C1000&10000) – $C94⅜ (29Mr89)
- Saskatchewan(Prov of)9½% Nts 1990 (Br$C1000&10000) – $C96⅝
- Sweden(Kingdom of)9¼% Nts 1993 (Br$C1000&10000) – $C94½ (29Mr89)
- Warburg (S.G.) Capital BV Fltg Rate Nts 2006 (Br$10000&250000) – $95⅛

Sterling Issues by Overseas Borrowers
No. of bargains included19

- Asian Development Bank10¾% Ln Stk 2009(Reg) – £102⅜
- Australia(Commonwealth of)9¾% Ln Stk 2012(Reg) – £93¼♦ ¼♦
  - 11¾% Ln Stk 2015(Reg) – £109⅞
- Bank of Greece10¼% Ln Stk 2010(Reg) – £95½ (28Mr89)
- Caisse Centrale De Cooperation Econ 12¾% Gtd Ln Stk 2013(Reg) – £116
- Caisse Nationale Des Autoroutes16% Gtd Ln Stk 2006 – £144⅞ (28Mr89)
- Credit Foncier De France 10¼%GtdSerLnStk2011,12,13,14(Reg) – £101⅝ ½ (29Mr89)
  - 14½% Gtd Ln Stk 2007(Reg) – £135⅝
- Denmark(Kingdom of)13% Ln Stk 2005 – £117½ (28Mr89)
- Electricite de France11¼% Gtd Ser Ln Stk 2009/12(Reg) – £114⅝♦ ½♦
  - 9% Ln Stk 2001 (Reg) – £91⅛ ½ ⅝ ¾
  - 9% Ln Stk 2001 (Br£5000) – £91 (28Mr89)
  - 9½% Ln Stk 2009 – £97
  - 10⅝% Ln Stk 2004(Reg) – £101⅞ ¼ ⅜ ⅝ (29Mr89)
  - 11% Ln Stk 2002(Reg) – £105¼
- Finland(Republic of)11½% Ln Stk 2009(Reg) – £111⅛
- Hydro-Quebec 12.75% Ln Stk 2015 – £120⅞ (28Mr89)
- Inter-American Development Bank9¼% Ln Stk 2015 – £96⅝♦
- International Bank for Rec & Dev9¾% Ln Stk 2010(Reg) – £98⅛
  - 11.5% Ln Stk 2003 – £109½
- Ireland12¾% Ln Stk 2008(Reg) – £118½
- New Zealand11¼% Stk 2008(Reg) – £107¼♦ ½♦
  - 11½% Stk 2014(Reg) – £109⅝
- Nova Scotia(Province of)11¾% Ln Stk 2019 – £110¼ 1 (29Mr89)
- Petroleos Mexicanos14½% Ln Stk 2006 – £99 (28Mr89)
- Portugal(Rep of)9% Ln Stk 2016(Reg) – £86⅜ ½ (29Mr89)
- Province de Quebec12¼% Ln Stk 2020 – £116⅝ (28Mr89)
- Spain(Kingdom of)11¾% Ln Stk 2010(Reg) – £111⅝ ⅞ (29Mr89)
- Sweden(Kingdom of)9¾% Ln Stk 2014(Reg) – £98½
  - 9¾% Ln Stk 2014(Br) – £98¼ (28Mr89)
- United Mexican States16½% Ln Stk 2008(Reg) – £118 (28Mr89)

Banks and Discount Companies
No. of bargains included 1538

- Australia & New Zealand Banking GpNew $A1(50% Pd&Rkg 50% Dv Till 30/9/90) – 144♦
- Bank of Ireland(Governor & Co of)7% Ln Stk 86/91 – £83
- Barclays PLCADR (4:1) – $29.549015 ½ .874004
- Barclays Bank PLC7½% Uns Cap Ln Stk 86/91 – £89 90
  - 8¼% Uns Cap Ln Stk 88/93 – £89½ 90 ½
  - 12% Uns Cap Ln Stk 2010 – £109½
  - 16% Uns Cap Ln Stk 2002/07 – £132½ ⅝ (29Mr89)
- Hill Samuel Group PLC8% Uns Ln Stk 89/94 – £90 (29Mr89)
- Midland Bank PLC7½% Subord Uns Ln Stk 83/93 – £87 (28Mr89)
  - 10¾% Subord Uns Ln Stk 93/98 – £101
  - 14% Subord Uns Ln Stk 2002/07 – £118 ⅛ ⅛ ¼ (29Mr89)
- Morgan Grenfell Group PLC11¼% Cum Prf £1 – 134 (28Mr89)
- National Westminster Bank PLC7% Cum Prf £1 – 65 6 0
  - 9% Subord Uns Ln Stk 1993 – £92 3
  - 12½% Subord Uns Ln Stk 2004 – £111⅝ ⅝
- Smith,St.Aubyn(Hldgs) PLC8¾% Cum 2nd Prf £1 – 106 (29Mr89)
- Standard Chartered PLC12¾% Subord Uns Ln Stk 2002/07 – £108
- TSB Group PLC10⅛% Subord Ln Stk 2008 – £97 ⅛
- Wintrust PLC10½% Cum Prf £1 – 100 (29Mr89)

Breweries and Distilleries
No. of bargains included911

- Allied-Lyons PLC5½% Cum Prf £1 – 50 5 (29Mr89)
  - 7½% Cum Prf £1 – 70 (29Mr89)
  - 6¼% Red Deb Stk 84/89 – £95½ (29Mr89)
  - 6½% Red Deb Stk 87/92 – £87 (28Mr89)
  - 8¾% Red Deb Stk 88/93 – £87⅞ (29Mr89)
  - 7¾% Red Deb Stk 88/93 – £87 (28Mr89)
  - 11¾% Deb Stk 2009 – £113⅝ .1125 ½ .175
  - 7¾% Uns Ln Stk 93/98 – £83
- Bass PLC7% Cum Prf £1 – 68
  - 8¼% Deb Stk 87/92 – £92¾♦
  - 4½% Uns Ln Stk 92/97 – £63 (28Mr89)
  - 7¼% Uns Ln Stk 92/97 – £84 ½
- Bass Investments PLC7¾% Uns Ln Stk 92/97 – £84 (28Mr89)
- Boddington Group PLC6½% Cnv Uns Ln Stk 2000/05 – £173
- Bulmer(H.P.)Hldgs PLC8¾% 2nd Cum Prf £1 – 102
- Greenall Whitley PLC"A" Ord 5p – 305
  - 9% Cum Prf £1 – 96
- Hardys & Hansons PLCOrd 25p – 953
- International Distillers & Vintners8½% Uns Ln Stk 87/92 – £90 (28Mr89)
- Irish Distillers Group PLCOrd Ir£0.25 – I£4½ (28Mr89)
- McMullen & Sons Ld6½% Cum Prf £1 – 87
- Mansfield Brewery PLCOrd £1 – 485
- Scottish & Newcastle Breweries PLC4.9% Cum Prf £1 – 87
  - 6.425% Cum Prf £1 – 95♦
  - 7% Cnv Cum Prf £1 – 140 ½ ⅝
- Vaux Group PLC4½% A Cum Prf £1 – 43
- Watney,Mann & Truman Hldgs PLC3¾% Irrd Deb Stk – £35¼ (29Mr89)
  - 4¾% Red Deb Stk 88/93 – £78
  - 7% Red Deb Stk 88/93 – £88
  - 10½% Red Deb Stk 90/95 – £99 (29Mr89)
  - 12¾% Red Deb Stk 2008 – £116 (28Mr89)
- Whitbread & Co PLCB Ord 25p – 11.35
  - 7% 3rd Cum Prf Stk £1 – 67 (28Mr89)
  - 7% Red Deb Stk 88/93 – £97½ (28Mr89)
  - 7½% Uns Ln Stk 95/99 – £76⅝ 82‡
  - 7¾% Uns Ln Stk 96/2000 – £78¾
  - 10½% Uns Ln Stk 2000/05 – £95½ ⅝ 6
- Young & Co's Brewery PLC4.2% Cum Prf Stk – 62 (28Mr89)

Registered Housing Associations
No. of bargains included1

- North Housing Association LdZero Cpn Ln Stk 2027 – 275

Commercial, Industrial, etc
No. of bargains included19265

- ABB Kent PLC8% Uns Ln Stk 88/93 – £86
- A.C.Holdings PLC11% Cnv Uns Ln Stk 94/98 – £112
- ADT LdADR (10:1) – $25¾ .78
- AECI Ld5½% Cum Prf R2 – 30
- AMEC PLCNew 6.5p (Net) Cum Cnv Red Prf 50p – 112 4 (29Mr89)
  - 15% Uns Ln Stk 1992 – £116
- Albion PLCOrd 20p – 85 91
- Alexon Group PLC6.25p (Net) Cnv Cum Red Prf 10p – 102
- American Brands IncShs of Com Stk $3.125 – £37½
- Anderson,Strathclyde PLC8% Uns Ln Stk 88/91 – £90
- Armstrong Equipment PLC6½% Cum Prf £1 – 60
- Associated British Foods PLC6% Cum Prf £1 – 62½‡ (28Mr89)
  - 5½% Uns Ln Stk 87/2002 50p – 27 (29Mr89)
  - 7½% Uns Ln Stk 87/2002 50p – 37¾
- Attwoods (Finance) NV8½p Gtd Red Cnv Prf 5p – 127 6 (29Mr89)
- Austin Reed Group PLCOrd 25p – 385 95 (28Mr89)
- Automated Security(Hldgs) PLC5% Cnv Cum Red Prf £1 – 188
  - 6% Cnv Cum Red Prf £1 – 123¾ 5 6 ¼ 7 8 ½
- Automotive Products PLC4.55% Cum 2nd Prf £1 – 60 (29Mr89)
- Avesco PLCCum Ptg Cnv Red Prf 1997 1p – 105
- Ayrshire Metal Products PLCOrd 25p – 283 3
- B.A.T Industries PLCADR (1:1) – $9.6 ¼ .65
- B.A.T. Investments PLC10% Uns Ln Stk 90/95 – £98⅛ (29Mr89)
  - 10½% Uns Ln Stk 90/95 – £99 ½ 100
- BET PLC5% Perp Deb Stk – £47½♦
- BICC PLC6% 1st Cum Prf Stk £1 – 69♦
  - 7% Deb Stk 85/90 – £83
  - 7¼% Deb Stk 90/95 – £87¾
- BM Group PLC4.9p (Net) Cnv Cum Red Prf 20p – 116
- BOC Group PLC12¾% Uns Ln Stk 2012/17 – £112 ⅛
- BPB Industries PLC7¾% Deb Stk 86/91 – £91 (28Mr89)
  - 10¼% Deb Stk 87/2002 – £94⅝ 5½
- B.S.G.International PLC12½% Uns Ln Stk 93/98 – £104♦
- BTP PLC7.5p(Net) Cnv Cum Red Prf 10p – 103
- Bailey(C.H.) PLC"B" Ord 10p – 65
- Bardon Group PLC5p (Net) Cnv Cum Red Prf 10p – 109 10 (28Mr89)
- Bardsey PLCWarrants to sub for Ord – 16
- Barr & Wallace Arnold Trust PLCOrd 25p – 520
- Beazer PLC6½% Cnv Uns Ln Stk 2000 – £148
- Birmid Qualcast PLC7½% Uns Ln Stk 87/92 – £89♦
- Blue Arrow PLCADR (10:1) – $18½
- Blue Circle Industries PLC7¾% Cnv Cum Red Prf £1 – 152 3 3
  - 6½% Uns Ln Stk(1975 or aft) – £53 (29Mr89)
- Bogod-Pelepah PLCOrd 10p – 35 (29Mr89)
- Boot(Henry) & Sons PLCCum Prf (5.25%) £1 – 57♦
- Boots Co PLCADR (2:1) – $9¾ (29Mr89)
  - 7¾% Uns Ln Stk 88/93 – £88 0 (29Mr89)
- Bowater Industries PLC4.35% Cum Prf £1 – 61
- Braime(T.F.&J.H.)(Hldgs) PLC"A" Non.V Ord 25p – 350
- Braithwaite PLCCnv Prf 50p – 82♦
- Bridon PLC10¼% Deb Stk 91/96 – £97 (28Mr89)
  - 8¾% Uns Ln Stk 2002/07 – £90 (29Mr89)
- British Airways PLCADR (10:1) – $33.418886♦ .475♦
- British Alcan Aluminium PLC10½% Deb Stk 89/94 – £98
- British-American Tobacco Co Ld5% Cum Prf Stk £1 – 49¼ (28Mr89)
  - 6% 2nd Cum Prf Stk £1 – 57½
- British Fittings Group PLC5.5% Cnv Red Prf £1 – 65 (28Mr89)
- British Home Stores PLC7¾% Mtg Deb Stk 94/98 – £81 (28Mr89)
- British Shoe Corp Hldgs PLC6½% Cum 3rd Prf £1 – 62 (29Mr89)
  - 7% Uns Ln Stk 85/90 – £89 90½
- British Steel PLCADR (10:1) (Fully Pd) – $14⅛ .2142
- British Sugar PLC10¾% Red Deb Stk 2013 – £102¾♦ 3¼♦
- Brown & Jackson PLC10.75% Cnv Cum Prf £1 – 109
  - New 10.75% Cnv Cum Prf £1 – 104 4
- Bunzl PLC7% Cnv Uns Ln Stk 96/97 – £100
- Burton Group PLC8% Uns Ln Stk 98/2003 – £81
  - 8¾% Uns Ln Stk 98/2003 – £87 (28Mr89)
  - 8% Cnv Uns Ln Stk 1996/2001 – £100 100 ½ ¼ ¾ 2
- Cadbury Schweppes PLC3½% Cum 1st Prf Stk £1 – 56
  - 8¾% 1st Mtg Deb Stk 94/2004 – £79¾
  - 9% 1st Mtg Deb Stk 88/93 – £85♦
- Canadian Overs Pack Industr LdCom Npv – 365 (29Mr89)
- Cape Industries PLC10% Deb Stk 86/91 – £95
- Carclo Engineering Group PLC10½% Cum Red Prf £1 – 100 (29Mr89)
- Caskat PLC10.25% Cum Prf £1 – 116
- Channel Tunnel Investments PLC5p – 168 70
- Chapman Industries PLC8½% 1st Mtg Deb Stk 93/98 – £85⅛
- Chloride Group PLC7¾% 1st Mtg Deb Stk 85/90 – £91 (28Mr89)
- Clarke(T.) PLCOrd 10p – 115 7
- Coats Patons PLC6¾% Uns Ln Stk 2002/07 – £66⅛
  - 7½% Uns Ln Stk 90/95 – £84½
- Coats Viyella PLC4.9% Cum Prf £1 – 61
- Cohen(A.) & Co PLCNon.V "A" Ord 20p – 880 4 (29Mr89)
- Coloroll Group PLC9p Cum Red Prf 2005 10p – 99
- Cooper (Frederick) PLC6.5p (Net) Cnv Red Cum Ptg Prf 10p – 105 6
- Courtaulds PLC7¾% Deb Stk 89/94 – £88
  - 6¾% Uns Ln Stk 94/96 – £73 (28Mr89)
  - 6½% Uns Ln Stk 94/96 – £78½ (29Mr89)
  - 7¾% Uns Ln Stk 94/96 – £82 3
  - 7¾% Uns Ln Stk 2000/05 – £75⅝ 7½
- Croda International PLC5.9% Cum Prf £1 – 78
- Cropper(James) PLC9% Uns Ln Stk 94/99 – £87⅛
- Crystalate Hldgs PLC8¾% Cnv Uns Ln Stk 2003 – £90½ 2
- Cullen's Hldgs PLCWarrants to sub for Ord – 8♦
- DRG PLC7½% Uns Ln Stk 86/91 – £85 0 (29Mr89)
- Dalgety PLC4.85% Cum Prf £1 – 71
- Davies & Metcalfe PLC"A"(Non.V)Ord 10p – 182 ½ 3
- Debenhams PLC6½% 2nd Deb Stk 90/95 – £78
  - 7¼% 2nd Deb Stk 91/96 – £80
  - 6¾% Uns Ln Stk 86/91 – £87 8
  - 7¾% Uns Ln Stk 2002/07 – £74 (28Mr89)
  - 7⅞% Uns Ln Stk 2002/07 – £70
- Delta PLC7¾% Deb Stk 85/90 – £91
  - 10¾% Deb Stk 95/99 – £100 (29Mr89)
- Dencora PLC6.25% Cum Cnv Red Prf £1 – 152 (29Mr89)
- Dewhurst PLCOrd 10p – 67 72
- Dickie (James) PLCOrd 25p – 116 (29Mr89)
- Dominion International Group PLC Warrants to sub for Ord – 1 ½
- Dowty Group PLC7% Cnv Cum Red Prf £1 – 128 0 30 1
- Elliott(B.) PLC7% Cnv Cum Red Prf £1 – 116
- Empire Stores(Bradford) PLC9¼% Deb Stk 94/99 – £90 (29Mr89)
- European Home Products PLC8¾% Cum Red Prf 2001/06 £1 – 103‡
  - 5¼% Cnv Cum Red Prf 2006/11 £1 – 107 10
- Eurotunnel PLC/Eurotunnel SA Units (Sicovam Inscribed) – £8¾ 8.3 FR89.4 .8 .85 .9
- Evered Holdings PLC3.85% Cum Prf £1 – 50 (29Mr89)
- Fisons PLC6¾% Deb Stk 84/89 – £98
  - 5¾% Uns Ln Stk 2004/09 – £58⅝ 61
- Fitzwilton PLC6½% Cum Prf IR£1 – I£0½♦ 0.52♦
- Fobel International PLC8% Uns Ln Stk 88/93 – £78
- Folkes Group PLCOrd 5p – 58♦
- Friendly Hotels PLC4¾% Cnv Cum Red Prf £1 – 100
  - 7% Cnv Cum Red Prf £1 – 111 8
- GEI International PLC10% Uns Ln Stk 87/92 – £92
- GKN (United Kingdom) PLC10¼% Gtd Deb Stk 90/95 – £90½ (29Mr89)
- G.R.(Hldgs) PLC10½% 2nd Cum Prf £1 – 115 (29Mr89)
- General Electric Co PLC7¼% Uns Ln Stk 87/92 – £89 (29Mr89)
  - 7½% Uns Ln Stk 88/93 – £89♦ 9♦
- Gestetner Hldgs PLCOrd Cap 25p – 280 (28Mr89)
  - 10% Cnv Uns Ln Stk 90/95 – £138 (28Mr89)
- Glaxo Group Ld6¾% Uns Ld Stk 85/95 50p – 40
  - 7¾% Uns Ln Stk 85/95 50p – 41
- Glynwed International PLC7¾% Cum Prf £1 – 74 (28Mr89)
  - 10¾% Uns Ln Stk 94/99 – £97⅞
- Goodwin PLCOrd 10p – 60 ½ 1 2‡ 3
- Grampian Hldgs PLC7% Cum Prf £1 – 68 (29Mr89)
- Grand Metropolitan PLC5% Cum Prf £1 – 52
  - 5.75% CULS 1989 400p (200p Pfly Pd)(Reg) – 327 6 6 30 30 1 1 2
- Great Universal Stores PLC5¾% Red Uns Ln Stk – £90
  - 6¾% Uns Ln Stk 93/98 – £85
- Harrisons & Crosfield PLC6¾% Cum Prf £1 – 63 (29Mr89)
- Hawker Siddeley Group PLC5½% Cum Prf £1 – 56
  - 7¼% Deb Stk 87/92 – £90 (28Mr89)
- Honda Motor Co LdShs of Cum Stk Y50 – Y1.4705
- House of Fraser PLC6% Uns Ln Stk 93/98 – £68 71⅞
  - 8¾% Uns Ln Stk 93/98 – £84¾ 6
- Howard & Wyndham PLC18% Uns Ln Stk 76/91 – £95 (28Mr89)
- Hunting Associated Industries PLC9¾% Cnv Uns Ln Stk 03/08 – £202 8
- IMI PLC5¾% Uns Ln Stk 2001/06 – £57⅞
  - 7¾% Uns Ln Stk 88/91 – £90¼
  - 8¾% Uns Ln Stk 87/92 – £92♦
- Iceland Frozen Foods Hldgs PLCCnv Cum Red Prf 20p – 104 4 5 6
- Illingworth,Morris PLC6½% Cum Prf Stk £1 – 60 (29Mr89)
  - 6½% Cum 2nd Prf Stk £1 – 62
- Imperial Chemical Industries PLC5¾% Uns Ln Stk 94/2004 – £63 5
  - 7¾% Uns Ln Stk 86/91 – £92 3 ¼ 4 6
  - 8½% Uns Ln Stk 88/93 – £92 3 4
  - 11¾% Uns Ln Stk 91/96 – £102
- Inco Engineered Products Ld11% Deb Stk 96/2001 – £99⅝
- Jenners,Princes Street,Edinburgh Ld 10% Cum Prf £1 – 113
- Jessups PLC7.3p (Net) Cnv Cum Red Prf 50p – 100 (28Mr89)
- Johnson & Firth Brown PLC11.05% Cum Prf £1 – 126½‡ 7½‡
  - 11% Uns Ln Stk 93/98 – £100⅞
- Johnson Group Cleaners PLC7.5p (Net) Cnv Cum Red Prf 10p – 129
- Johnson,Matthey PLC8% Cnv Cum Prf £1 – 855
- Johnston Group PLC10% Cum Prf £1 – 110 (29Mr89)
- Jones,Stroud(Hldgs) PLC10% Cum Prf £1 – 100
- KLP Group PLCCum Cnv Red Prf 10p – 62 (29Mr89)
- Ladbroke Hotels Ld10½% 1st Mtg Deb Stk 94/99 – £102
- Laing(John) PLCOrd "A" Non Vtg 25p – 380 2 3 5½ 6
- Lamont Hldgs PLC10% 3rd Cum Prf £1 – 110♦
- Laporte Industries(Hldgs) PLC8% Deb Stk 93/98 – £86 ½ (28Mr89)
  - 10¼% Deb Stk 94/99 – £94⅝
- Leisure Investments PLC7% Cum Cnv Red Prf (93/98) £1 – 103 4 6
- Lewis(John)Partnership PLC5% Cum Prf Stk £1 – 51½
  - 7½% Cum Prf Stk £1 – 73 (29Mr89)
- Life Sciences International PLC6% Cum Cnv Red Prf £1 – 172 (29Mr89)
- Lonrho PLC7½% 1st Mtg Deb Stk 86/91 – £91 (29Mr89)
  - 10¾% 1st Mtg Deb Stk 97/2002 – £94½ 9
  - 9% 2nd Mtg Deb Stk 87/92 – £90
- Low(Wm) & Co PLC6.75% Cum Cnv Red Prf £1 – 146 7
- Lowe(Robert H.) & Co PLC87.5% (Net) Cnv Cum Red Prf 10p – 105 (29Mr89)
- Lucas Industries PLC10¾% Uns Ln Stk 92/97 – £99 (29Mr89)
  - 6% Cnv Uns Ln Stk 1997 – £53 (29Mr89)
- McCarthy & Stone PLC8.75% Cum Red Prf 2003 £1 – 98½ 105½‡
  - 7% Cnv Uns Ln Stk 99/04 – £160 60
- McKechnie PLC6% Cum Prf £1 – 59
- Magnet PLC5.25% Red Cum Prf £1 – 78 (28Mr89)
- Marks & Spencer PLC7% Cum Prf £1 – 68
- Mecca Leisure Group PLC7.25p (Net) Cnv Cum Red Prf 20p – 103 3 ½ 4 ½ 5
  - 11.5% Deb Stk 2011 – £106♦
- Menzies(John) PLC9% Cum Prf £1 – 107½ (29Mr89)
- Mitel CorporationCum Shs of NPV – 135
- Morgan Crucible Co PLC9½% Deb Stk 95/2000 – £89⅝ 91⅛
- NCR CorpCom Stk $5 – $54¼♦
- NSM PLC8.5p (Net) Cnv Cum Red Prf 10p – 109
- Next PLC7%"A" Cum Prf £1 – 87 (28Mr89)
- Norcros PLC15¾% Deb Stk 90/95 – £105♦
- Normans Group PLC8¾% Cnv Uns Ln Stk 99/04 – £112
- Norsk Data ASClass "B"(Non Vtg) NK20 – £3
- North Midland Construction PLCOrd 10p – 158♦
- Northern Engineering Industries PLC 5.375% Cum Prf £1 – 70
  - 11% Cum Prf £1 – 120 (29Mr89)
  - 7% Uns Ln Stk 2000/05 – £69⅝
  - 8¾% Uns Ln Stk 88/93 – £85 8
- Oceonics Group PLCWarrants to sub for Ord – 13½
- Oliver(George)(Footwear) PLCOrd 25p – 512 (28Mr89)
- Parkfield Group PLCCum Red Prf 2910/13 £1 – 96½ (29Mr89)
  - 7% Cum Cnv Red Prf £1 – 356 (28Mr89)
- Parkland Textile(Hldgs) PLCOrd 25p – 280
- Paterson Zochonis PLC10% Cum Prf £1 – 108 16
- Pavilion Leisure Hldgs PLCOrd 10p – 108 14
- Pearson PLC8.25% Uns Ln Stk 88/93 – £90 (29Mr89)
  - 13.625% Uns Ln Stk 2007 – £121⅜ (28Mr89)
- Pentos PLC13½% Cnv Uns Ln Stk 1990(Series"A") – £130 (28Mr89)
- Pergamon AGB PLC7.5p Cnv Subord Ln Stk 2002 2½p – 67♦
- Pittard Garnar PLC6½% Cum Prf £1 – 100♦
- Plessey Co PLC7¼% Deb Stk 92/97 – £83 (29Mr89)
- Portland Holdings LdOrd $20.50 – 8
- Powell Duffryn PLC4¾% Cum Prf 50p – 22 (29Mr89)
  - 6¼% Deb Stk 84/89 – £90
- Powerscreen International PLC13% Cnv Uns Ln Stk 1995 – £600
- Queens Moat Houses PLC10¾% 1st Mtg Deb Stk 2020 – £96⅝
- Quicks Group PLC10% Cum Prf £1 – 112 (29Mr89)
- R.E.A.Hldgs PLCWarrants to sub for Ord – 35 (28Mr89)
  - 9% Cum Prf £1 – 80
- RPH Ld4¾% Uns Ln Stk 2004/09 – £47⅞
  - 9% Uns Ln Stk 99/2004 – £84⅝
- Racal Electronics PLCADR (1:1) – $6.68 .7 .73
- Racal Telecom PLCADR(10:1) – $58⅝ 9⅝ & ½
- Ranks Hovis McDougall PLC6% Cum 1st Prf £1 – 56 (29Mr89)
  - 6% Cum "A" Prf £1 – 60
  - 8¾% Uns Ln Stk 90/94 – £89½ 9 90 (29Mr89)
  - 8¾% Uns Ln Stk 91/95 – £87 90½
- Ratners Group PLC6.25p Cnv Cum Non-Vtg Red Prf 20p – 87 ¼ 6 8
- Readicut International PLC6¾% 2nd Cum Prf £1 – 56½ (28Mr89)
- Reckitt & Colman PLC5% Cum Prf £1 – 61 (28Mr89)
- Relyon Group PLC7¾% Uns Ln Stk 86/91 – £88
- Renold PLC7¾% 2nd Deb Stk 92/97 – £78
- Richards PLC5½% Cum Pfd 75p – 38 (28Mr89)
- Rockware Group PLC7.25% Cnv Cum Red 2nd Prf £1 – 99 ½ 100½
  - 8% Uns Ln Stk 95/99 – £81⅜
- Ropner PLC11½% Cum Prf £1 – 120
- Rotork PLC9½% Cum Prf £1 – 100
- Rugby Group PLC6% Uns Ln Stk 93/98 – £73½♦
- SD-Scicon PLC6.5% Cnv Cum Red Prf £1 – 129 (28Mr89)
  - Warrants to sub for Ord – 20 4
- Saatchi & Saatchi Co PLCADR (3:1) – $14.82 ⅜ ½
  - 6% Cnv Uns Ln Stk 2015 – £78 (29Mr89)
- Sanderson Murray&Elder(Hldgs) PLCOrd 50p – 226 (29Mr89)
  - 8¾% Uns Ln Stk 93/98 – £84 (29Mr89)
- Scantronic Hldgs PLC7.25p (Net) Cnv Cum Red Prf 20p – 118
  - 5.75% Cnv Cum Red Prf £1 – 212
- Scapa Group PLC8% Uns Ln Stk 88/93 – £87⅞ (28Mr89)
- Scott & Robertson PLC7¾% Cum Cnv Red Prf £1 – 146 (28Mr89)
- Senior Engineering Group PLC9¾% Uns Ln Stk 94/99 – £89⅞
- Sidlaw Group PLC7¼% Uns Ln Stk 2003/08 – £65 (29Mr89)
- 600 Group PLC4.55% Cum 2nd Prf £1 – 60 (28Mr89)
  - 9¼% Uns Ln Stk 87/92 – £89
  - 11% Uns Ln Stk 92/97 – £99 (29Mr89)
- Smith (W.H.) Group PLC"B" Ord 10p – 58½
  - 5¼% Red Uns Ln Stk – £45
- Smiths Industries PLC11¾% Deb Stk 95/2000 – £100⅞
- Smurfit(Jefferson)Group PLC9¾% Cnv Uns Ln Nts (Fp/PAL–7/4/89) – £135 I£191¾ 163
- Sommerville(William) & Son PLCOrd 25p – 680
- Spear(J.W.) & Sons PLCOrd 25p – 285 (29Mr89)
- Sperati(C.A.)(Special Agency)Ord 50p – £14
- Spong Hldgs PLC7% Cnv Cum Red Prf £1 – 73 (29Mr89)
- Stag Furniture Hldgs PLC11% Cum Prf £1 – 116
- Storehouse PLC9% Cnv Uns Ln Stk 1992 – £112⅞ 3 4 5 6 7
- Summer International PLC7.5% (Net) Cnv Cum Red Prf £1 – 91 2
- Sutcliffe,Speakman PLCWarrants to sub for Ord – 85 (28Mr89)
  - 8½% Red Cum Prf £1 – 100 (29Mr89)
- Swan(John) & Sons PLCOrd 25p – 535♦
- Symonds Engineering PLCOrd 5p – 43♦
- T & N PLC9% Mtg Deb Stk 87/92 – £91 (28Mr89)
  - 11¾% Mtg Deb Stk 95/2000 – £102⅞ ⅝
- Tarmac PLC7¼% Deb Stk 92/97 – £81♦
- Tate & Lyle PLC8% Uns Ln Stk 2003/08 – £79 (29Mr89)
  - 10¾% Uns Ln Stk 2003/08 – £108 (28Mr89)
- Tellos Hldgs PLCWarrants to sub for Ord – 127 8‡ 6 31‡ ¾‡ 2 3 4¾‡
- Tennessee Gas Pipeline Co10% Stlg/$ Cnv Uns Ln Stk 91/95 – £170
- Tesco PLC4% Uns Deep Disc Ln Stk 2006 – £46⅞
- THORN EMI PLC5% Uns Ln Stk 2004/09 – £56
  - 7½% Uns Ln Stk 88/92 – £90 (28Mr89)
  - 7¾% Uns Ln Stk 2004/09 – £73 (29Mr89)
- Tilling(Thomas) PLC4.55% Cum Prf £1 – 60
  - 5.25% Cum Prf £1 – 70
  - 8% Deb Stk 85/90 – £98½ (28Mr89)
  - 6½% Uns Ln Stk 89/94 – £89½
- Tioxide Group PLC11½% Uns Ln Stk 91/96 – £99 (29Mr89)
- Titaghur Jute Factory PLCOrd Stk £1 – 545 50 50
- Tomkins PLC9¾% Cnv Uns Ln Stk 1994 – £245
- Tootal Group PLC7¾% Uns Ln Stk 89/94 – £81
- Towles PLC"A" Non.V.Ord 10p – 78♦
- Trafalgar House PLC7% Uns Deb Stk £1 – 60 (28Mr89)
  - 8% Uns Ln Stk 94/99 – £86½
  - 6½% Uns Ln Stk 2000/05 – £87⅞ 6¼ 93
  - 10¾% Uns Ln Stk 2001/06 – £98½ ⅝
- Transport Development Group PLC9¾% Uns Ln Stk 95/2000 – £88
  - 12½% Uns Ln Stk 2008 – £111⅛
- Trusthouse Forte PLCWarrants to sub for Ord – 81 5
  - 10.5% Mtg Deb Stk 91/96 – £99½ (28Mr89)
  - 9.1% Uns Ln Stk 95/2000 – £87½
- Unigate PLC7⅞% Deb Stk 86/91 – £96 (29Mr89)
  - 8½% Uns Ln Stk 91/96 – £78
- Unilever PLC5¾% Uns Ln Stk 91/2006 – £64
  - 8% Uns Ln Stk 91/2006 – £82 ½ & 3
- Union International Co PLC6% Cum Prf Stk £1 – 71¾
  - 7% Cum Prf Stk £1 – 76
- Unisys CorpCom Stk $5 – £14.9♦
- United Glass Hldgs PLC7¾% 1st Mtg Deb Stk 87/90 – £91 (28Mr89)
- Upton(E.)& Sons PLCOrd 25p – 89♦
- Vickers PLC5% Prf(Non-Cum)Stk £1 – 45 (28Mr89)
  - 5% Cum(Tax Free To 30p)Prf Stk £1 – 68½ 6½ (29Mr89)
- WB Industries PLCOrd 10p – 77 6 80½ 2
- WCRS Group PLC55% Cnv Cum Red Prf 1999 10p – 197
- Wade Potteries PLC10% Cum Prf £1 – 100 10
  - 7.25p (Net) Cnv Ptg Prf 10p – 116 (29Mr89)
- Walker(Thomas) PLCOrd 5p – 61 4
- Ward White Group PLCADR (5:1) – $13.2
- Warner-Lambert CoCum Stk $1 – £48.7 (29Mr89)
- Waterford Glass/Wrld Wedgwood PLC Units (1 WFG Ord Ir£0.05 & 1 WFW Inc – I£0.88 p 73 3 ½ 4 ½ 6
- Watmoughs(Hldgs) PLC8¾% Cum Red Prf 2006 £1 – 96
- Waverley Cameron PLC7.5p (Net) Cnv Cum Red Prf 5p – 90½ (28Mr89)
- Westland Group PLCWarrants to sub for Ord – 71 2 3 4
  - 7½% Cnv Cum Prf £1 – 175
  - 7¾% Deb Stk 87/92 – £88
- Whitworth & Mitchell Textorial Ld7¾% Uns Ln Stk 94/99 – £77⅞
- Widney PLC8.76% Cnv Cum Red 2nd Prf 2000 £1 – 107
- Williams Hldgs PLC10¾% Cum Prf £1 – 130‡ (28Mr89)
- Wood (Graham) PLCOrd 25p – 210 1 2 5

Financial Trusts, Land, etc
No. of bargains included814

- Aitken Hume International PLC 7%(Net)CnvCumRedPrf£1 – 103 (29Mr89)
- Allied Dunbar Int Funds LdPtg Red Prf $0.0025(Europe Fund) – £0.296738♦
- Baillie Gifford Technology PLCWarrants to sub for Ord – 11
- Britannia Arrow Hldgs PLCWts To Subscribe for Ord – 40
- British & Commonwealth Hldgs PLC10½% Uns Ln Stk 2012 – £87⅞ 8
- CMI Managed Portfolio Inv CoShs of NPV (Growth Portfolio Shs) – 85.6 (28Mr89)
  - Shs of NPV (Enterprise Portfolio Shs) – 75.6 (28Mr89)
- Capital Strategy Fund LdPtg Red Prf $0.01(Japan Fund Shs) – £2.74978
  - Ptg Red Prf $0.01(EmergingMktsFund) – $1.71 p 100
- Daily Mail & General Trust PLCOrd 50p – £80½ 1
- EFT Group PLCWarrants to sub for Ord – 15 (29Mr89)
- F & C Enterprise Trust PLCSer B Warrants to sub for Ord – 7 (28Mr89)
- First National Finance Corp PLC10% Subord Uns Ln Stk 1992 – £95¼
- Foreign & Col Reserve Asset Fund Ld PtgRedPrf $0.05 Cl M(US Equities) – £9.22784
  - PtgRedPrf $0.05 CL O(Global Equities) – £7.48
  - PtgRedPrf $0.05 CLV(GlobalFinRiskAssShs) – £5.24444
- GAM Worldwide IncVtg Red Shs of NPV – $397.44♦
- Genfinance NV11.31% Ln Stk 2007(Reg) – £94⅞ 101⅞
  - 11.48% Ln Stk 2007(Reg) – £95⅝ 103
- Greece Fund LdDepositary Warrants to sub for Shs – $15 (28Mr89)
- Guinness Flight Global Strategy FdPtg Red Prf $0.01(Managed Currency Fund) – $34.18 (29Mr89)
  - Ptg Red Prf $0.01(European Fund) – $75.39 (28Mr89)
- IBI Global Funds LdPtg Red Prf $0.01(Sterling Shs) – £17.54 (29Mr89)
- Inchcape PLC8¾% Cum Red Prf 90/92 £1 – 80 (29Mr89)
  - 9% Uns Ln Stk 87/90 – £93 4½ (29Mr89)
  - 10¾% Uns Ln Stk 90/95 – £96
  - 12¾% Uns Ln Stk 93/98 – £104 ⅞
- International City Hldgs PLC8¾% Cnv Cum Red Prf £1 – 83½ (29Mr89)
- Intl Stock Exchange of UK&Rep of Ir Ld 7¾% Mtg Deb Stk 90/95 – £83
- Korea-Europe Fund LdShs $0.10 – $52.7 .95
  - Shs(IDR to Br) $0.10 (Cpn 2) – £30.71298 $ 61¼ 875 6 0 400 500 0
- MIM Britannia Capital Dep Fund LdPtg Red Prf 1p – £25.4 (29Mr89)
- MIM Britannia Jersey Gilt Fund LdPtg Red Prf 1p – 18.32 9.28
- Mercury Offshore Sterling TrustShs of NPV(Global Fund) – 102.4 (28Mr89)
- Mezzanine Capital&Inc Tst 2001 PLCInc Shs £1 – 177 (29Mr89)
- NMC Group PLCWarrants to sub for Shs – 105 (29Mr89)
- Practical Investment Co PLCOrd 10p – 96 (28Mr89)
- Quadrant Intercontinental Fund LdShs $0.10(European Shs) – £1.425 (29Mr89)
  - Shs $0.10(Far Eastern Shs) – £2.1597
- Ship Mortgage Finance Co PLC8% Red Deb Stk 91/98 – £89½ (29Mr89)
- Smith New Court PLC12% Subord Uns Ln Stk 2001 – £92 3
- Strata Investments PLCWarrants to sub for Ord – 38
- TR Worldwide Strategy Fund SicavShs NPV (North America Fund) – 111.3
  - Shs NPV (Multi-Currency Bond Fund) – 102⅜ (29Mr89)
- Thai Investment Fund LdPtg Red Pfd $0.01 – $10
- Thailand International Fund LdPtg Shs $0.01 (IDR's to Br) – £10.3
- Thornton Pacific Investment Fund SA£1 – 928
- 3i PLC7¾% "A" Deb Stk 89/92 – £90½
  - 7¾% "A" Deb Stk 91/94 – £89♦
  - 9% "A" Deb Stk 91/94 – £94
  - 11¾% Uns Ln Stk 1990 – £98⅞ (28Mr89)
  - 12¾% Uns Ln Stk 1992 – £104♦
- Value & Income Trust PLCWarrants 89/94 to sub for Ord – 19♦ 8♦

Insurance
No. of bargains included770

- Alexander & Alexander Services IncShs of Class C Com Stk $1 – £14½ (29Mr89)
- Commercial Union Assurance Co PLC5% Cum Red Prf 85/2009 £1 – 52 (28Mr89)
- General Acc Fire&Life Assc Corp PLC 7½% Uns Ln Stk 87/92 – £88 (29Mr89)
  - 7¾% Uns Ln Stk 92/97 – £85 ¾
- Guardian RoyalExchange AssurancePLC 7% Uns Ln Stk 86/91 – £88
- Scottish Life Assurance Co7¾% Uns Ln Stk 97/2002 – £72½

Investment Trusts
No. of bargains included1081

- Alliance Trust PLC4¾% Prf Stk (Cum) – £47½ (28Mr89)
- Australia Investment Trust PLCWarrants to sub for Ord – 17 (29Mr89)
  - A Warrants to sub for Ord – 7 (29Mr89)
- Baillie Gifford Japan Trust PLCWarrants to sub for Ord – 420 (28Mr89)
- Baillie Gifford Shin Nippon PLCWarrants to sub for Ord – 60
- Bankers Investment Trust PLC4% Perp Deb Stk – £30 (29Mr89)
  - 10½% Deb Stk 2016 – £94⅝ 6⅝
- British Assets Trust PLC"A" 5% Prf Stk(Cum) – £53♦
- British Empire Sec & General Trust10¾% Deb Stk 2011 – £94¼ 5½ ⅝
- British Kidney Patient Ass Inv TstOrd £1 – 250
- Capital Gearing Trust PLCOrd 25p – 520
- Children's Medical Charity Inv TstPLC Ord £1 – 70 (29Mr89)
- City of Oxford Investment Trust PLCOrd Inc 5p – 53 ¾ 4
- Danae Investment Trust PLCWts to Subscribe for 1 Inc & 1 Cap – 66
- Drayton Consolidated Trust PLC5% Cum Prf Stk – £55 (28Mr89)
- Dundee&London Investment Trust PLC5% Cum Prf Stk – £50 (29Mr89)
- EFM Dragon Trust PLCWarrants to sub for Ord – 2¾
- English & International Trust PLC5¾% Cum Prf £1 – 56
  - 10¾% Deb Stk 2014 – £96 7¾
- F.& C. Eurotrust PLC6¾% Cnv Uns Ln Stk 1996 – £205 (29Mr89)
- F.& C. Pacific Investment Trust PLC Warrants to sub for Ord – 97
- Fifth Throgmorton Co PLC7.25% Cnv Uns Ln Stk 2003 – £104 5
- First Scottish American Trust PLC3½% Cum Prf Stk – £55 (28Mr89)
- First Spanish Inv Trust PLCWarrants to sub for Ord – 20
- Fleming Mercantile Inv Trust PLC2.8% Cum Prf Stk £1 – 42 (29Mr89)
- Fleming Overseas Inv Trust PLC5% Cum Prf £1 – 50 (28Mr89)
- General Cons Invest Trust PLC4½% "A" Cum Prf Stk – £47 (29Mr89)
- German Smaller Co's Inv Trust PLC Warrants to sub for Ord – 53 (29Mr89)
- Glasgow Income Trust PLCWarrants to sub for Ord – 8
- Globe Investment Trust PLC10% Deb Stk 2018 – £97⅞ (29Mr89)
  - 11½% Cnv Uns Ln Stk 90/95 – £375 (28Mr89)
- Investors Capital Trust PLC5¾% Cum Prf Stk – £55
  - 4% Deb Stk Red – £36⅞
  - 7¼% Deb Stk 92/97 – £79♦
- Keystone Investment Co PLC11¾% Deb Stk 2010/15 – £102⅞ 3⅝
- Minerals Oils&Res Shs Fund Inc$0.10 – $13.38 (28Mr89)
- New Guernsey Securities Trust LdOrd 25p – 76 (28Mr89)
- New Throgmorton Trust(1983) PLC12.6% Deb Stk 2008 – £111¾ 3⅝
- Overseas Investment Trust PLC7¾% Cnv Uns Ln Stk 95/96 – £400 400 15
- Scottish Cities Inv Trust PLCOrd Stk 25p – 660
- Scottish Eastern Inv Trust PLC4¾% Cum Prf Stk – £47½
  - 6¾% Deb Stk 2020 – £92⅞
  - 12¾% Deb Stk 2012 – £114 (29Mr89)
- Scottish Investment Trust PLC3.5% Cum Pfd Stk – £54
- Scottish Mortgage & Trust PLC6–12% Stepped Int Deb Stk 2026 – £106
- Securities Trust of Scotland PLC7% Deb Stk 89/93 – £85♦
- Shires Investment PLCWarrants to sub for Ord – 62
- TR Australia Investment Trust PLC7% Deb Stk 97/2002 – £71⅝
- TR City of London Trust PLCPfd Ord Stk(20% Non-Cum)£1 – 215♦
  - 6% Cum 1st Prf Stk – £60 (29Mr89)
  - 6% Non-Cum 2nd Prf Stk £1 – 60♦
  - 10¾% Deb Stk 2020 – £92⅞ 4½
  - 11½% Deb Stk 2014 – £103⅞ 5⅝
- TR Trustees Corp PLC4½% Cum Prf Stk – £50 (28Mr89)
- Throgmorton Trust PLC12 5/16% Deb Stk 2010 – £112 (29Mr89)
- Updown Investment Co PLCOrd 25p – 365 (29Mr89)
- Vantage Securities PLCWarrants to sub for Ord – 118 (28Mr89)

Unit Trusts
No. of bargains included146

- M.& G. American Smaller Co's FundInc Units – 49.8
- M.& G.Gold & General FundInc Units – 43.8
  - Accum Units – 47.9♦
- M.& G. International Income FundInc Units – 65½

Mines – Miscellaneous
No. of bargains included489

- Amalgamated Financial Invs PLCWarrants to sub for Shs – 5½
- Anglo United PLCCnv Red Prf 10p – 78
- Bisichi Mining PLC10p – 60
- Consolidated Gold Fields PLCADR (4:1) – $86.06 (28Mr89)
- De Beers Consolidated Mines Ld40% Cum Prf R5 (Br) (Cpn 160) – 300 (29Mr89)
  - Dfd R0.05(Br) (Cpn 82) – 15.1 18.15 15.15
- El Oro Mining&Exploration Co PLCOrd 10p – 372♦
- Europa Minerals Group PLCOrd 2p – 118♦
- RTZ Corporation PLC3.325% "A" Cum Prf £1 – 46 7 (29Mr89)
- Willoughby's Consolidated PLCPfd 1p – 60¾♦
- Zambia Consolidated Copper Mines Ld"B" Ord K10 – 68 (29Mr89)

Mines – South African
No. of bargains included79

- Barnato Exploration LdOrd R0.01 – 88 (29Mr89)
- Coronation Syndicate LdR0.25 – 22 (28Mr89)
- DAB Investments LdOrd R0.01 – 295 (28Mr89)
- General Mining Union Corporation12.8% Uns Subord Comp Cnv Debs(Irrd) R27 – £9
- Lebowa Platinum Mines LdOrd R0.01 – 90♦
- Lindum Reefs Gold Mining Co LdOrd R0.01 – 30 (29Mr89)
- New Central Witwatersrand AreasLd R0.50 – £5½ (29Mr89)
- Trans-Natal Coal Corp LdR0.50 – 80 (28Mr89)
- Western Deep Levels LdOption to Sub for Ord – £9 (29Mr89)

Oil
No. of bargains included2489

- British Petroleum Co PLC9% Cum 2nd Prf £1 – 89
- Burmah Oil PLC7¾% Cum Red Prf Stk £1 – 70
  - 8% Cum Prf Stk £1 – 77
- London & Scottish Marine Oil PLC10¾% Deb Stk 2009 (Fp/AL–12/4/89) – £97 (28Mr89)
- Mobil CorpShs of Com Stk $2 – $49⅝ (28Mr89)
- Shell Transport&TradingCo PLCOrd Shs (Br) 25p(Cpn 181) – 387
  - 5½% 1st Prf(Cum)£1 – 51½ (29Mr89)
- Texaco International Financial Corp8% Stlg/$ Cnv Gtd Ln Stk 91/99 – £112
- Texas Eastern CorpCom Stk $3.50 – £30.2 (29Mr89)

Property
No. of bargains included950

- Allnatt London Properties PLC8¾% 1st Mtg Deb Stk 96/2001 – £87⅞ 8¾
  - 10½% 1st Mtg Deb Stk 94/99 – £96⅜
- Asda Property Hldgs PLC10 5/16% 1st Mtg Deb Stk 2011 – £96½ (28Mr89)
- Bilton(Percy) PLCAccum Shs 25p – 520♦
- British Land Co PLC10¾% Old 1st Mtg Deb Stk 2019/24 – £94⅝ 5⅝
- Capital & Counties PLC8¾% 1st Mtg Deb Stk 95/2000 – £72⅞
  - 9¾% 1st Mtg Deb Stk 2027 – £95⅞ (29Mr89)
  - 9¾% Uns Ln Stk 91/96 – £88 (28Mr89)
- Centrovincial Estates PLC8¾% Uns Ln Stk 88/93 – £81 (28Mr89)
- Charlwood Alliance Hldgs Ld7½% Uns Ln Stk 50p – 33⅝♦
- City Site Estates PLC7% Cnv Uns Ld Stk 2005/06 – £128½ 4 (29Mr89)
- Colman(E.Alec)Investments Ld8% Uns Ln Stk 91/96 – £78
- Dares Estates PLC7.75% Cnv Cum Red Prf £1 – 103 3 4 5
- Estates Property Investment Co PLC10% 1st Mtg Deb Stk 2011 – £91 ⅜
  - 7¾% Uns Ld Stk 89/92 – £88
- Grainger Trust PLC11¾% 1st Mtg Deb Stk 2024 – £105⅞ 6⅞
- Great Portland Estates PLC9.5% 1st Mtg Deb Stk 2016 – £91.8875 ⅛ 2
- Greycoat PLC12.85% Uns Ld Stk 90/92 – £100⅜ (28Mr89)
- Hammerson Prop Inv&Dev Corp PLCOrd 25p – 887
- Haslemere Estates PLC10¾% 1st Mtg Deb Stk 96/2003 – £94⅞
- Imry Merchant Developers PLC5.125% Cum Cnv Red Prf £1 – 73 ½ ½ 4 ½ ¾
- Land Securities PLC8% 1st Mtg Deb Stk 88/93 – £82 (29Mr89)
  - 7¾% 1st Mtg Deb Stk 91/96 – £83
  - 9% 1st Mtg Deb Stk 96/2001 – £85⅞ 9⅝ 92½
  - 6¾% Uns Ln Stk 92/97 – £79½ (28Mr89)
  - 8½% Uns Ln Stk 92/97 – £88 ¾ 9
- London & Edinburgh Trust PLC8¾% 1st Cum Red Prf 2013 £1 – 97½ ¾ (29Mr89)
- London County Free. & Leas. Prop7¾% 1st Mtg Deb Stk 91/95 – £83
  - 7¾% 1st Mtg Deb Stk 92/96 – £85 (28Mr89)
- London Shop PLC8¾% Uns Ln Stk 87/97 – £93 (29Mr89)
  - 10% 1st Mtg Deb Stk 2026 – £93⅞ (28Mr89)
- MEPC PLC9¾% 1st Mtg Deb Stk 97/2002 – £90½ 3⅝
  - 10¾% 1st Mtg Deb Stk 2024 – £105½ ¾
  - 6% Uns Ln Stk 2000/05 – £77
  - 10½% Uns Ln Stk 2032 – £95 ⅜ ¾
  - New.10½% Uns Ln Stk 2032 – £95⅞ (29Mr89)
  - 6¾% Cnv Uns Ln Stk 95/2000 – £160
- Merlin International Properties LdCum Red Cnv Prf £1 – 96
- Muckloe(A.& J.)Group PLC13¾% 1st Mtg Deb Stk 2000/05 – £113⅞ 4⅞
- P & O Property Holdings Ld7¾% 1st Mtg Deb Stk 87/2002 – £74⅞
- Peel Hldgs PLC10% Cum Prf 50p – 53 (28Mr89)
  - 5.25% (Net) Cnv Cum Non-Vtg Prf £1 – 110½
  - 9¾% 1st Mtg Deb Stk 2011 – £93⅞ ½ ⅝ & ⅞
- Property Security Inv Trust PLC8% Cum Prf £1 – 90♦
- Rush & Tompkins Group PLC7.5% Cnv Cum Red Prf £1 – 153 (29Mr89)
- Scottish Metropolitan Property PLC10¾% 1st Mtg Deb Stk 2016 – £98⅞♦
- Trafford Park Estates PLC9% 1st Mtg Deb Stk 91/96 – £91
  - 11⅞%-1st Mtg Deb Stk 2007/10 – £105 ⅜
- United Kingdom Property Co PLC8¾% Uns Ln Stk 2000/05 – £79⅞ 80⅝

Plantations
No. of bargains included12

- Anglo-Eastern Plantations PLCWarrants to sub for Ord – 22 (29Mr89)
  - 12½% Uns Ld Stk 95/99 – £106½
- Chillington Corporation PLCDfd 25p – 78 (29Mr89)
  - Warrants to sub for Ord – 35 (29Mr89)
  - 9½% Cum Red Prf £1 – 99
- Hidong Estate PLCOrd 10p – 72 (29Mr89)
- Malakoff Berhad$M 1 – 80♦
- Riverview Rubber Estates Berhad$M 1 – 66 (29Mr89)
- Singapore Para Rubber Estates PLCStk 5p – 68

Shipping
No. of bargains included394

- London & Overseas Freighters PLCOrd 25p – 8½ ¾
  - Pfd Ord 1p – 8¾
  - B Pfd Ord 20p – 83 ⅛
- NFC PLCVar Vtg Ord 5p (Ex Rts,Ex Div) – $4.26 p 263 ¾ 4½ ¼ 5 6 7
- Peninsular & Oriental Steam Nav Co5% Cum Pfd Stk – £48

Utilities
No. of bargains included29

- Barton Transport PLCDfd 150p – 525 66 (28Mr89)
- CESC Ld7¾% Cum Prf Rs10 – 10♦
- Mersey Docks & Harbour Co6¾% Red Deb Stk 96/99 – £73⅝
  - 3¾% Irrd Deb Stk – £20

Water Works
No. of bargains included9

- Bristol Waterworks Co3.5%(Fmly 5%)Cons Prf Stk – £560 690 (29Mr89)
- Cambridge Water Co3.5%(Fmly 5%)Cons Ord Stk – £90♦
- Chester Waterworks Co4.2%(Fmly 6% Max)Ord Stk – £95
  - 3.15%(Fmly 4½%)Prf Stk – £35
- Colne Valley Water Co4.025%(Fmly 5¾%)Red Prf Stk 88/93 – £76 80
- Essex Water Co4% Perp Deb Stk – £35
  - 10¾% Deb Stk 94/96 – £97½ (28Mr89)
- Lee Valley Water Co7¾% Red Deb Stk 91/93 – £87 (29Mr89)
- Mid Kent Water Co8¾% Red Prf Stk 1997 – £170 (28Mr89)
- Mid-Southern Water Co10% Red Deb Stk 95/98 – £96 (28Mr89)
- Newcastle & Gateshead Water Co5% Cons Deb Stk – £46 (28Mr89)
  - 10% Red Deb Stk 92/94 – £96 (28Mr89)
- South Staffordshire Waterworks Co 3.5%(Fmly 5%)Cons Prf Stk – £875 (28Mr89)
  - 7¾% Red Deb Stk 91/98 – £83 (28Mr89)
- Sunderland & South Shields Water Co 3.5%(Fmly 5%)Cons Ord Stk – £875
  - 7¾% Red Deb Stk 92/94 – £85 (28Mr89)
- Sutton District Water Co3.15%(Fmly 4½%)Prf Stk – £80

USM Appendix
No. of bargains included1365

- AmBrit International PLC9% Cnv Uns Ln Stk 1996 – £74♦
- Apollo Metals PLC8p(Net) Cum Cnv Red Prf 10p – 125
- Bimec Industries PLC8.5% Cnv Uns Ln Stk 1991 – £166 (28Mr89)
- Cityvision PLC8.5%(Net) Cnv Cum Red Prf £1 – 135♦ 7♦
- Darby Group PLCOrd 5p – 146 8 8
- Dewey Warren Hldgs PLCVar Rate Cnv Uns Ln Stk 1995 – £97
- Gibbs Mew PLCOrd 25p – 275
- Heavitree Brewery PLC"A" Lim Vtg Ord 25p – £10.2
- Kunick PLC7p (Net) Cnv Cum Red Prf 5p – 120
- Quarto Group Inc8.75p(Net) CnvCumRedShs of Pfd Stk $0.10 – 129♦ 9♦
- Quilligotti PLCNew Ord 5p (Fp/LA–19/4/89) – 73 6 6
- R&V Information Systems N.V.Ord FL0.05 – 73 6 (29Mr89)
- Randsworth Trust PLC7% Cum Cnv Red Prf £1 – 107 6 6 ¾ ½ 16
- Savage Group PLC6.5% (Net) Cum Red Cnv Prf £1 – 107 (28Mr89)
- SelecTV PLCOrd 1p – 17½
- Total Systems PLCOrd 5p – 50 (28Mr89)
- Vistec Group PLCOrd 1p – 24 ½ 6 ½ ¼ 6
- Yelverton Investments PLC8% Cnv Uns Ln Stk 1997 – £93 (29Mr89)
- York Trust Group PLCRed Cum Cnv Prf 20p – 88

The Third Market Appendix
No. of bargains included220

- Beckenham Group PLCWarrants to sub for Ord – 43 (29Mr89)
- Edinburgh Hibernian PLCOrd 9p – 62 6 (28Mr89)
- Hoskins Brewery PLCOrd 50p – 60
- Kromagraphic PLCOrd 5p – 18 (29Mr89)
- Malaya Group PLCOrd 10p – 44½ 6
- Mediracs PLCWarrants to sub for Ord – 101‡ 2 3 3‡
- Poddington PLCOrd 5p – 53 ¾ 4 ½ ½ 5 5‡ ½‡

Rule 535(2)
No. of bargains included135

- Ackrill Carr PLCOrd 25p – £0.00125
- Adnams & Co PLC"B" Ord £1 – £18⅜ (28Mr89)
- Anglo American Agriculture PLCOrd 25p – £0.01 0.010625
- Appleton Hldgs PLCOrd 10p – £0.11 0.12 0.13
- Barrington Management(CI)International Income – £1.7814 1.82
- Berwick Group PLCOrd 5p – £0.3
- Carraun PLCOrd 10p – £0.566
- Channel Islands Comms (TV) LdOrd 5p – £0.73 (28Mr89)
  - Ord 2.5p – £0.24 0.251875
- Dawson(William)Hldgs LdOrd 10p – £3.50375♦
- Electrik Hldgs PLC Ord 1p – £0.21
- Europlan Hldgs LdOrd 10p – £0.48 (28Mr89)
- Falmouth Hotel PLCOrd £1 – £31
- Finance Land & General Hldgs PLCOrd 5p – £0.04125 0.0425 0.045
- Fredericks Place Hldgs PLCOrd 20p – £0.04 0.0525
  - Cnv Dfd 1p – £0.02♦
- Glencar Explorations PLCOrd Ir£0.02 1/2 – I£0.52
- Guernsey Press Co LdOrd 10p – 215 (28Mr89)
- Harvard Group PLCOrd 2p – £0.08375
- Ireland Yard Investments PLCOrd 10p – £0.07♦
- Kenmare Resources PLCOrd Ir£0.25 – £0.275 0.295 0.3 0.3 I£0.345 0.35
- Le Riche's Stores LdOrd £1 – £3.85
- London Fiduciary Trust PLCOrd 10p – £0.145
- London & Overseas Land LdOrd 20p – £1.005
- Manx Petroleum PLCOrd £1 – 19♦
- Merrett Hldgs PLCOrd 10p – £1.9025 1.95
- North West Exploration PLCOrd 20p – £0.34♦
- Oliver Resources PLCOrd I£0.05 – £0.325 0.33 0.335 0.34 0.3425‡ 0⅞‡ 0.345 0.34625‡ 0.3475‡ 0.35 0.355‡ 0.355‡ I£0.41
- Owl Creek Investments PLCOrd 5p – £0.0725 0.075 (29Mr89)
- Park Estates(Liverpool)Ld£1 – £3.14
- Park Lane Hotel PLCOrd 25p – £6.2
- Rigby Electronics Group PLCOrd 5p – £0.08 0.0875
- Severn Valley Railway(Hldgs)PLCOrd £1 – £20⅞
- Shepherd Neame PLC"A" Ord £1 – £6⅞ 6.8 6.82
- Southern Newspapers PLCOrd £1 – £3¼♦
- Sun Oil Britain Ld Oil Royalty Stk Units 1p – £0.67 0.685 0.72 (29Mr89)
- Thwaites(Daniel)& Co PLCOrd 25p – £2.36♦
- Transatlantic Hldgs PLCPfd Ord 50p – £3.4
- Weetabix Ld"A" Non.V Ord 25p – £4.85 (29Mr89)
- Wynnstay Properties PLC20p – £1.42 1.44
- Yates Bros Wine Lodges PLCOrd 25p – £2⅛ (29Mr89)

RULE 535 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

- Allstate Explorations 14♦
- Ampol Expln. 73 (29/3)
- Aust. Foundation Inv 65♦ (29/3)
- Aust. Oil & Gas 20♦ (29/3)
- Australis Mining 2.5 (29/3)
- Beverly Enterprises $9.125♦ £5.25
- Black Hill Minerals 2♦ (29/3)
- Bligh Oil & Minerals A$0.33,0.35 (29/3)
- Cape Range Oil 4
- Cons. Exploration 20 (28/3)
- Coltus Resources 23,26
- Dasa Corp Com Stk 7.375♦
- Devex 12.125♦ A$0.24
- Dulker Exploration £2.25 (23/3)
- Dynatech Corp £10.375 (23/3)
- Golden Valley Mines 6.5 (23/3)
- Great Victoria Gold 7 (23/3)
- Haoma North West 1.5
- Haw Par Bros Int (Singapore reg) S$3.3 (29/3)
- Highveld Steel & Vanadium $4.17♦ £2.54 R17.6
- Hooker Corp £1♦ (29/3)
- Hunter Resources 6.5♦
- Int Mining 1♦ (28/3)
- Jennings Properties A$0.505
- Jimberlana Minerals 3♦
- Killinghall Tin (Malaysia) Berhad Ord M$2.927♦ (29/3)
- Kulim Malaysia Ord 27♦
- Kulim Malaysia Ord (Malay Ord) 37
- Macquarie Oil A$0.2 (29/3)
- Malaysian Airline System HK$7.05♦ (28/3)
- Malaysian Plantations 37,38,39 (23/3)
- McCarthy Group R13
- Mid-east Minerals 13.5♦
- Mount Martin Gold Mines 40,152,45.585 £1.4052
- National Electronics (Consolidated) 2,4
- Niugini Mining £1.8,1.85♦
- Nixdorf Computers £89.95 (23/3)
- Oil Search 27,8
- Palabora Mining £7.6 R51 (29/3)
- Patrick Petroleum $5.5♦ (29/3)
- Plenty River Mining Co 1.5,1.7 (29/3)
- Regal Hotels (hldgs) HK$2.47441 (29/3)
- Samantha Expln. 20
- Selangor Coconuts 38♦40 (28/3)
- Sensormatic Electronics $11.5♦ (29/3)
- Sherritt Gordon Mines £6.875
- Singapore Land S$10.5092
- Sky Line Explortn £3.443,3,3.35,3.42
- Square Gold & Minerals 6
- Strategic Minerals Corp A$0.12,0.45
- Sun Electric Corp $18.77436,19.024364♦
- Target Resources 30♦ (23/3)
- Third Canadian Gen Inv Tst C$39.625 (29/3)
- United Overseas Land $2.04947
- Victoria Petroleum 1.5 (29/3)

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LONDON STOCK EXCHANGE

Firm start to the new equity Account

THE UK stock market sailed through a potentially difficult session yesterday, with traders stressing the importance of technical factors. After a somewhat nervous start, equities saw the green light at 11.20am, when the expiration of the March index futures contract passed off without provoking the feared selling wave. The market then began to climb in modest trading and made a good start to the new equity trading Account, which opened at 3.30pm.

Although yesterday marked the end of the first quarter and, for many funds, the end of the financial year, some institutional activity was seen. However, several leading traders expressed surprise at the market's performance, and felt that the 25 point gain on the FT-SE "over-stated the market".

The session opened cautiously with several leading market firms takeing a bearish view at their morning strategy meetings. Stock Exchange officials were understood to be closely monitoring the exposure of major firms in the Footsie futures contract. However, a few, very small buy programmes helped share prices.

The significant upturn came shortly after the 11.20 am deadline for the futures contract expiration, which, to the market's satisfaction, passed off without undue pressures.

One US-based house, apparently short in the FT-SE future, sold off underlying Footsie stocks just before 11.20am. However, there was little selling pressure from elsewhere and share prices moved ahead as the market took heart ahead of the new Account. Substantial bear-closing operations gave the lead for a firm close to the market.

At its final reading of 2075.0, the FT-SE Index was 25.6 up, virtually at the day's hest. However, many analyste remain cautious on the near term outlook.

"Equities are stuck in the FT-SE 2050-2100 range," commented the market strategy team at Warburg Securities, pointing to uncertainties over the corporate/economic outlook, interest rates and sterling.

The Footsie Index lost 10 points over the three week trading Account which closed yesterday. The UK market has proved volatile, reaching new post-Crash peaks early in the Account, only to react sharply to renewed worries about inflation on both sides of the Atlantic. Although the February deficit on UK trade was taken quietly, markets are still wary over prospects for domestic interest rates.

Equity turnover took a turn for the better yesterday, with 631.2m shares traded through Seaq, compared with 528.5m shares on Thursday. Traders await Monday's market opening with keenness to see if the major funds will continue to buy equities at their present levels.

Account Dealing Dates

*First Dealings:	Mar 13	Apr 3	Apr 17
Option Declarations:	Mar 30	Apr 13	May 4
Last Dealings:	Mar 31	Apr 14	May 5
Account Day:	Apr 10	Apr 24	May 15

*New time dealings may take place from 9.00 am two business days earlier

FINANCIAL TIMES STOCK INDICES

	Mar 31	Mar 30	Mar 29	Mar 28	Mar 23	Year Ago	1989 High	1989 Low	Since Compilation High	Since Compilation Low
Government Secs	87.30	87.36	87.78	87.98	88.10	91.03	89.29 (8/2)	86.65 (5/1)	127.4 (9/1/35)	49.19 (3/1/75)
Fixed Interest	98.32	98.61	98.44	98.83	98.79	97.50	99.59 (15/3)	95.93 (4/1)	105.4 (28/11/47)	50.53 (3/1/75)
Ordinary	1707.9	1686.7	1705.5	1708.0	1698.4	1388.7	1781.1 (14/3)	1447.8 (3/1)	1926.2 (16/7/87)	49.4 (26/6/40)
Gold Mines	190.2	190.6	191.5	198.1	193.9	237.3	198.1 (28/3)	154.7 (17/2)	734.7 (15/2/83)	43.5 (26/10/71)

	Mar 31	Mar 30	Mar 29	Mar 28	Mar 23	Year Ago
Ord. Dl. Yield	4.50	4.55	4.52	4.51	4.54	4.76
Earning Yld %(full)	10.90	11.02	10.93	10.92	10.99	12.09
P/E Ratio(Net)(☆)	11.08	10.98	11.05	11.06	10.98	10.10
SEAQ Bargains(5pm)	39,767	36,220	34,155	28,348	26,088	35,548
Equity Turnover(£m)†	-	1305.88	980.40	775.58	990.05	915.53
Equity Bargains†	-	41,034	39,242	32,568	30,888	43,750
Shares Traded (ml)†	-	547.3	413.5	402.0	408.9	426.1

Ordinary Share Index, Hourly changes

● Opening	● 10 a.m.	● 11 a.m.	● 12 p.m.	● 1 p.m.	● 2 p.m.	● 3 p.m.	● 4 p.m.
1690.0	1695.9	1695.6	1696.7	1699.3	1701.4	1703.4	1706.5

DAY'S HIGH 1707.9 DAY'S LOW 1690.0

Basis 100 Govt. Secs 15/10/26, Fixed Int. 1928, Ordinary 1/7/35, Gold Mines 12/9/55, SE Activity 1974. ☆Nil 11.02 †Excluding intra-market business. * Corrected figure.

● S.E. ACTIVITY

Indices	Mar 30	Mar 29
Gilt Edged Bargains	107.7	96.1
Equity Bargains	265.9	254.3
Equity Value	2839.1	2001.9
5 - Day average		
Gilt Edged Bargains	99.6	96.0
Equity Bargains	230.2	221.7
Equity Value	2091.7	1965.9

● London Report and latest Share Index: Tel. 0898 123001

Reuters stock sold quickly

When Renters Holdings announced early yesterday the decision to convert its high-voting A shares into conventional B shares, some dealers quickly sold stock in anticipation of being able to buy back in the subsequent glut. They were wrong. The price rose only a few pence during the morning session and took off when it became clear that the placing of over 90m shares had gone quickly. Reuters paid holders £5.69 for each A share, and sold the new B shares at £6.25 apiece. In the market, the B closed 29 higher at 692p as 2.7m shares changed hands.

"It was significantly over-subscribed," said Hoare Govett, which placed half the stock. Marketmakers spoke of a sharp scale-down in institutional share allocations. Insurance companies, some of which had objected to the previous share structure, were particularly keen buyers.

Hoare also raised its 1990 profits forecast by £5m to £320m and said that the current year's share earnings will be 40p, 23 per cent growth on 1987, and that in 1990 will grow a further 21 per cent to 48.3p.

The restructuring removes the main obstacle to listings on foreign bourses and the hope of hordes of new overseas buyers helped the shares' rise. But Ms Bronwen Maddox at Kleinwort Benson struck a more cautious tone. "The change is neutral for Reuters but it is good for the newspapers (which have stakes in Reuters) for tax reasons," she said. The controlling Golden Shares may still be an obstacle to a Tokyo listing, she said, and the expense of a New York listing may be unnecessary given the well-traded ADR on Nasdaq.

Flashing cables

Cable & Wireless (C & W) shares staged another substantial leap forward, racing up 17 to 486p on turnover of 5.5m, for a week's jump of 34, with the market again full of stories of imminent and substantial "buy" recommendations, as well as talk of other imminent developments.

Dealers continued to take the view that a number of major buy notes are about to be published with two US brokers said to have been very strong buyers of the shares. "The way the buying has gone, I would be surprised if two large buy documents are not on institutions desks by the middle of next week," said one marketmaker in C & W. He also noted that there had been strong demand for C & W traded options, particularly the July 460's and 500's, where, among others, James Capel and Hoare Govett were said to have been keen buyers.

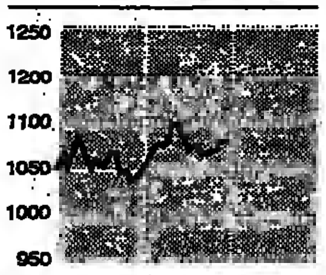
But the marketmaker added that there was a more fundamental reason for C & W's steep rise. "A rise of this magnitude in Cables tells me there is more to the story than a couple of broker's recommendations." Talk in the market persisted that news on a possible Mercury flotation, the ADR listing or word on the Hong Kong Telecom stake is imminent. Analysts were sceptical of the Mercury talk but did not rule out of court other moves by C & W.

Food flavour

Argyll was flavour of the day among food analysts. Several had visited the company during the week and were impressed enough to re-rate and upgrade. Citicorp Scrimgeour Vickers changed from a hold to a buy recommentation. "The shares have underperformed by 10 per cent since the start of February and are on a market p/e that's too low in the light of the quality of the top management," said Mr John Woolman, Citicorp's food analyst. He singled out the success of Safeway stores but is sticking with his profit forecast for the current year – near the bottom of the range – of £175m.

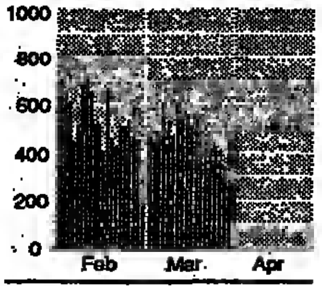
At the other end of the scale, Mr Bill Currie, analyst at Hoare Govett, raised his forecast from £203m to £206m. "Some of the negative stories have been overdone and it's not an expensive stock," he said. The price closed 5 higher at 182p on a turnover of 1.9m shares.

FT-A All-Share Index



Equity Shares Traded

Turnover by volume (million)



Foods emerged from listeria and salmonella doldrums and were well sought after. "Conditions are perfect for the food sector to outperform," said Mr Bill Currie, analyst at Hoare Govett. "Demand is not affected by high interest rates and inflationary pressures are easily passed on to customers."

Unigate and United Biscuits were both tipped as takeover targets and rose 8 to 537p and 5 to 319p respectively.

Suspicion that there was a second stakebuilder in Normans Group dissolved as Sir Ron Brierley's IEP vehicle revealed it had increased its stake by 1.7 per cent to 8.8%. Normans slipped 2¼ to 67½p, although Sir Ron's raised 17 per cent stake in Mount Charlotte boosted the latter 6 to 180p.

Yet another upward move by crude oil prices, this time after BP declared *force majeure* on contracted deliveries of crude from its Alaskan oilfields, along with America's Exxon, reversed Thursday's slide in the oil majors induced by a County NatWest sell recommendation.

BP and Shell both made solid progress, with the former's old shares improving 4½ to 286½p on sharply increased turnover of 10m and the "new" the same amount to 181½p on 4.6m while Shell put on 3 to 385p on 6m.

The latest gains in the oils came as Kitcat & Aitken, the securities house, issued a strong recomendation for clients to switch from British Gas to BP and Shell, as part of a general recommendation for institutions to move to overweight in the oil sector.

The banks eector, still uneasy after Thursday's profits warning from Sir Nicholas Goodison, the TSB chairman, put on a resolute showing with buyers eventually gaining the upper hand against some persistent sellers. TSB shares encountered a heavy two-way pull with one top UK house again moving in to sell the stock agressively in the face of what was described as determined buying from other UK houses. The action was vividly demonstrated by turnover which approached 10m. TSB shares moved only narrowly, eventually closing a shade off at 117p.

The big-four clearers mirrored the good gains elsewhere in the markets with turnover said to have been well ahead of recent levels. Barclays were particularly active and pushed ahead 5 to 445p, after 445p on 3.2m.

Life assurances progressed across the board with Prudential 1½ higher at 190p on 4.2m. Composites were not more than steady with the notable exception of Sun Alliance which raced up 34 to 1163p albeit in thin turnover of just over ½m shares; the group is scheduled to report preliminary figures on Wednesday with all the leading UK securities housee said to be extremely bullish of the stock.

British Telecom rushed up 7 to 275p with turnover expanding to 9m; dealers noted good institutional buying of the stock, acknowledged as one of the market leaders. The Racal twins were up 5 apiece, Telecom to 344p and Electronic to 394p with the market alive with stories that another wave of US buying is about to arrive in London.

BICC, which has FT-SE 100 status from Monday, spurted 15 to 515p. Plessey hardened to 254p with dealers saying the results of the Monopolies Commission inquiry into the joint bid from GEC/Siemens shoulds be known during the new account. GEC hardened to 233p ahead of the UK analysts visit to Siemens operations in West Germany.

Unitech shares, heavily bought all week, shot up to a record 348p, a net gain of 29 and a week's jump of 55, as the company disclosed that a 6.4 per cent stake had been accumulated by a group of eight companies which it said were controlled by Dr T. Tettamanti, a share dealer based in Switzerland.

The news triggered the latest surge in Unitech stock of which e near 30 per cent holding is controlled by Swiss group Elektrowatt. Elektrowatt is prevented by a previous agreement from bidding for Unitech until July 1990, unless an aggressive move by another party is made against Unitech.

One marketmaker immediately took the view that the latest stakebuilding was "most definitely aggressive, this man is said not to hold share stakes for long."

British Aerospace recovered part of the previous day'e decline on news of an Airbus order from TAP-Air Portugal. The shares jumped 15 to 570p.

Further consideration of Thursday's finals hurt Beazer which closed at 198p, down a penny, as a busy 6.7m shares changed hands.

Elsewhere, Keep Trust bounced up 74 to 460p as the company revealed it was in talks which could leave to a bid, probably from Fitzwilton, the Irish investment company. "No one has an idea of any takeover price," said a marketmaker. Persistent small buy orders in a thin market helped AIM Group to add 12 at 375.

Pearson enjoyed fresh investment support awaiting Monday's annual results and rose 7 to 702p. The group has sold its 53 per cent stake in Societe Civile du Vignoble de Chateau Latonr to Allied-Lyons. Expectations of good preliminary figures next Thursday lifted USM-listed Musterlin 21 to 155p.

Smaller agencies continued to make the news with Addison Consultancy improving to 41½p on the disposal of SCL (Streets) to its management. Motivaction, the French private concern which bought 14.8 per cent stake of Addison's equity on Thursday, said yesterday that it has no present intention of making an offer. Millward Brown, subject of a recommended bid, advanced 7 to 214p, although bidder WPP claims irrevocable acceptances of 63 per cent. Ketson dropped late to 31p, down 9, but Wace shot 19 higher to 382p.

P&O rebounded 12 to 670p as two leading UK security houses shifted tack from sellers to buyers. Mr Richard Sanderson of Panmure Gordon, the brokers, rates the shares good value and recommends purchases. He also believes that in view of its excellent record and favourable prospects, P&O should be valued at a premium to the market.

BAT Industries traded briskly, helped by sterling/dollar influences and positive comments from several investment houses. After volume of 4.2m shares, the price closed 13 up at 576p. Rothmans International nudged higher to 501p on news that it was negotiating to buy the 40 per cent not already owned of its Belgian subsidiary, Tabacofina NV.

One of Monday's four new FT-SE 100 index constituents, Harrisons & Crosfield benefited from the clearance of a large line of stock and also from buying by index funds. The shares, due to be split shortly, gained 16 to 751p. Lonrho, on the other hand, traded nervously following the resurrection of the House of Fraser affair. Lonrho said yesterday that it intends to issue writs against Mr Michael Cole, media director for House of Fraser, for offensive and defamatory statements made by him. In turnover of 4.6m shares, Lonrho ended 5 down at 329p. Good results, which included a scrip issue, pushed African Lakes up 7 to 75p.

■ Other market statistics, including the FT-Actuaries Share Index, Page 9

TRADING VOLUME IN MAJOR STOCKS

The following is based on trading volume for most Alpha securities dealt through the SEAQ system yesterday until 5 pm.

Stock	Volume 000's	Closing Price	Day's change
ASDA Group	5,500	147	+3
Allied-Lyons	2,000	447	+8
Amstrad	1,700	143	+3
Argyll Group	1,900	192	+5
Ass. Brit. Foods	522	330	+2
BAA	2,500	338	+6
BAT	4,200	576	+13
BET	1,600	256½	+2½
BICC	513	515	+17
BOC	903	507	+4
BPB Inds.	1,900	256	+4
BTR	4,000	382	+7
Barclays	3,200	445	+5
Bass	833	920	+5
Beazer	6,700	198	-1
Beecham	1,500	554	+5
Blue Arrow	3,800	[illegible]	-1
Blue Circle	1,400	535	+3
Boots	2,300	271	+4
British Airways	1,700	200	+5
Brit. Aerospace	2,700	570	+15
Brit & Comm.	1,000	226	+2
British Gas	7,400	180½	+3
British Land	243	370	+1
BP	19,000	286½	+4½
British Steel	22,000	83¼	+1½
British Telecom	9,000	275	+7
Burmah Oil	587	545	+5
Burton	1,700	212	+1
Cable & Wireless	5,500	486	+17
Cadbury Schweppes	1,700	347	+6
Coats Viyella	1,600	160	+2
Commercial Union	1,300	377	+3
Cons. Gold Fields	839	1328	+8
Cookson	796	312	-½
Courtaulds	1,000	299	+4
Dalgety	318	354	
Dixons	4,000	161½	-1½
Eng. China Clays	891	531	+4
Enterprise Oil	1,200	530	+11
FKI Babcock	4,900	172	+6
Fisons	2,200	387	+5
Gateway Corp	3,900	164	+2
General Accident	1,400	969	+4
General Elect.	6,000	233	+2
Glaxo	2,200	1321	+24
Globe Inv.	366	166¼	+2½
Glynwed Int.	437	326	+1
Granada	1,200	396	+8
Grand Met.	2,300	539	+10
GUS A	681	1008	-10
GRE	2,100	215	+1
GKN	874	369	+5
Guinness	3,100	447	+1
Hammerson 'A'	215	780	+1
Hanson	7,700	186¼	+2
Harrisons & Cros	348	751	+16
Hawker Siddeley	819	657	+6
Hillsdown Hldgs	1,700	273½	
IMI	87	238	
Imp. Chem.	1,350	1181½	+9½
Inchcape	962	268	+6
Jaguar	1,100	322	+3
Kingfisher	2,200	364	+3
Ladbroke	1,100	550	+6
Land Securities	1,500	575	
Laporte	185	438	+3
Legal & General	2,300	333	-2
Lloyds Bank	1,900	354	+4
LASMO	435	443	+6
Lonrho	4,600	329	-5
Lucas	1,300	615	+5
MB Group	333	382	+3
MEPC	439	567	+2
Marks & Spencer	4,600	162	-1
Maxwell Comm.	1,300	219	+1
Midland Bank	1,700	443	+4
Nat. West. Bank	1,100	584	+4
Next	8,500	152	+1
Northern Foods	333	293	+1
Pearson	662	702	+7
Pearl	83	428	+4
P & O	1,000	670	+12
Pilkington	12,000	246	+2½
Plessey	1,900	254	+1
Polly Peck Intl.	738	320	
Prudential	4,200	190	+1½
Racal	6,300	394	+5
Rank Org.	339	900	+5
RMC	558	664	+12
RHM	2,200	401	+6
Reckitt & Colman	353	1065	-1
Redland	1,200	516	+6
Reed International	2,000	407	-3
Reuters 'B'	2,700	692	+29
RTZ	1,900	524	+4
Rolls Royce	5,500	163¼	+2
Rothmans	2,400	501	+3
Royal Bk. of Scotland	1,000	390	+2
Royal Insurance	1,100	418	+1
STC	3,400	311	+4
Saatchi & Saatchi	2,700	291	+1
Sainsbury	1,900	234	+2
Scott & Newcastle	3,100	301	+6
Sears	4,400	120	+1
Shell Transport	6,000	385	+3
Siebe	387	466	+3
Slough Ests	253	526	+5
Smith & Nephew	2,100	137¼	+1
Standard Chartd.	3,300	553	+4
Storehouse	2,600	182¼	-1½
Sun Alliance	940	1163	+34
T&N	451	216	-1
TSB	9,900	117	-1
Tarmac	4,200	306	+6
Tate & Lyle	2,500	236	+2
Tesco	3,200	153½	+½
THORN EMI	1,300	695	+5
Trafalgar House	2,700	363	+6
Trusthouse Forte	5,900	287	+7½
Ultramar	1,200	287	+2
Unilever	1,300	537	+8
United Biscuits	1,500	319	+5
Utd. Newspapers	2,400	464	-2
Wellcome	1,300	459	+5
Whitbread 'A'	1,400	342	+3
Williams Hldgs.	1,600	277	-1
Wimpey	3,600	293	+2

NEW HIGHS AND LOWS FOR 1989

NEW HIGHS (144).

BRITISH FUNDS (1) Treas. 10½pc 1999, **AMERICANS** (28) **CANADIANS** (2) Central Cap., Royal Bk Can., **BANKS** (3) Ottoman Bank, Wells Fargo, Westrust, **BREWERS** (1) Burtonwood Brew., **BUILDINGS** (6) **CHEMICALS** (4) **STORES** (6) **ELECTRICALS** (7) **ENGINEERING** (6) **FOODS** (1) Dairy Farm, **INDUSTRIALS** (29) ARM, Amer Bus Syst., BSS Grp., BTR, BIMEC Inds., Bardsey, Barry Wehmiller, Beepak, Brit Fittings, Christies Intl., Co. of Designers, Electrolux, Elbeq AS, Esselete, Granada, Do. 7½pc Cv., Handley-Walker, Hawthorn Leslie, Hay (Norman), Johnson Cleaners, Keep Tst., Oriflame, Piston Ind., Record Hldgs., Scott Robertson, SmithKline Beckman, Spring Ram, Young (H.), **INSURANCE** (4) Aon Corp., Marsh McLen'n, Sun Alliance, USLIFE, **MOTORS** (1) Bostrom, **NEWSPAPERS** (4) Builder Grp., Gardner (D.C.), Independent, Musterlin, **PAPERS** (3) Paragon Comms., Shandwick, Wace Grp., **PROPERTY** (8) **SHIPPING** (2) IoM Steam., Runciman (W.), **SOUTH AFRICANS** (1) SASOL, **TEXTILES** (2) Foster (J.), Mackay Hugh, **TRUSTS** (18) **OILS** (8) **OVERSEAS TRADERS** (2) Harrisons Cross., Tozer Kems., **MINES** (4) Durban Deep, Nor-Quest Res., Pan Aust. Ming., Thorco Res., **THIRD MARKET** (1) Takare.

NEW LOWS (37).

BRITISH FUNDS (3) Exch. 13½pc 1992, Treas. 12¾pc 1992, Exch. 12¼pc 1992, **AMERICANS** (1) Data General, **BANKS** (1) ANZ, **BREWERS** (1) Scott & New., **BUILDINGS** (2) Banner Homes, Bellwinch, **CHEMICALS** (1) Allda Hldgs., **STORES** (3) Casket, Church, Specialeyes, **ELECTRICALS** (5) **INDUSTRIALS** (10) **LEISURE** (2) Molinare Visions, Pavilion Leis., **PAPERS** (1) Ketson, **PROPERTY** (2) Mountview Ests., Raglan Prop., **TRUSTS** (1) L.I.T. Hldgs., **OILS** (1) Claremont (UK), **OVERSEAS TRADERS** (1) Lonrho, **MINES** (1) AuDax Res., **THIRD MARKET** (2) Pennant Grp, Royal Sovereign.

RISES AND FALLS

	On Friday Rises	On Friday Falls	On Friday Same	On the week Rises	On the week Falls	On the week Same
British Funds	20	57	32	33	320	83
Corps. Dom. & Foreign Bonds	0	10	34	7	35	134
Industrials	475	318	779	1,543	1,575	3,180
Financial and Props	220	97	343	885	545	1,407
Oils	32	21	45	107	97	188
Plantations	0	0	12	1	1	46
Mines	20	46	117	144	173	421
Others	77	44	110	387	179	378
Totals	844	594	1,472	2,887	2,925	5,837

LEADERS AND LAGGARDS

Percentage changes since December 30 1988 based on Thursday March 30

Transport	+ 25.42	Gold Mines Index	+ 15.06
Building Materials	+ 24.56	All Share Index	+ 14.97
Mechanical Engineering	+ 23.19	Mining Finance	+ 14.75
Other Industrial Materials	+ 21.28	Brewers and Distillers	+ 13.53
Capital Goods	+ 20.44	Consumer Group	+ 13.35
Agencies	+ 19.72	Oil & Gas	+ 13.23
Health & Household Products	+ 19.72	Publishing & Printing	+ 13.06
Electricals	+ 19.26	Packaging & Paper	+ 12.61
Conglomerates	+ 18.73	Insurance(Composite)	+ 11.68
Leisure	+ 18.62	Textiles	+ 10.67
Motors	+ 18.14	Financial Group	+ 10.14
Electronics	+ 17.64	Overseas Traders	+ 9.76
Contracting,Construction	+ 17.35	Stores	+ 9.72
Metals & Metal Forming	+ 17.34	Food Retailing	+ 9.59
Other Groups	+ 17.23	Property	+ 9.51
Investment Trusts	+ 17.10	Banks	+ 9.32
Chemicals	+ 17.01	Food Manufacturing	+ 8.92
Insurance(Life)	+ 16.91	Telephone Networks	+ 8.47
Industrial Group	+ 16.38	Insurance(Brokers)	+ 4.88
500 Share Index	+ 15.92	Merchant Banks	+ 4.20

BENCHMARK GOVERNMENT BONDS

		Coupon	Red Date	Price	Change	Yield	Week ago	Month ago
UK GILTS		13.500	9/92	107-14	-4/32	10.87	10.69	10.81
		9.750	1/98	97-21	-1/32	10.15	10.04	10.14
		9.000	10/08	96-09	+3/32	9.19	9.10	9.12
US TREASURY *		8.875	2/99	97-04	+6/32	9.37	9.44	9.34
		8.875	2/19	97-11	+11/32	9.15	9.22	9.13
JAPAN	No 111	4.600	6/98	96.4413	-0.421	5.17	5.08	5.07
	No 2	5.700	3/07	106.4248	-0.304	5.02	5.02	4.96
GERMANY		6.375	11/98	95.7500	-0.250	6.99	6.94	6.99
FRANCE	BTAN	8.000	1/94	95.6761	+0.022	9.14	9.20	9.42
	OAT	8.125	5/99	94.3400	+0.004	8.99	9.03	9.27
CANADA *		10.250	12/98	96.0000	-0.125	10.58	10.64	10.49
NETHERLANDS		6.7500	10/98	97.2250	-0.100	7.05	7.09	7.25
AUSTRALIA		12.000	7/98	91.0856	-0.330	11.61	13.63	13.53

London closing, *denotes New York morning session
Yields: Local market standard Prices: US, UK in 32nds., others in decimal

Technical Data/ATLAS Price Sources

COMMODITIES

WEEK IN THE MARKETS

Palladium steps into the spotlight

PALLADIUM FOUND itself in unaccustomed prominence this week as London's other metals markets languished. The impetus for a strong rise in the price of this metal, usually regarded as platinum's poor relation, was provided by reports from the US of a breakthrough in nuclear fusion experiments which appeared to hold out the promise a bright future for palladium as a cheap source of energy.

Some traders were doubtful about the reports, which spoke of palladium rods being dipped into heavy water, with more energy produced than consumed. "It's a good tale," said one, "but I don't know how true it is." Many speculators were not to be put off so easily, however, and the price of the metal on the London market climbed from a pre-Easter level of $135 a troy ounce to end this week at $160.50 an ounce.

The price had already been at a relatively high level following the boost it received last December when the Ford Motor Company announced that it had developed a non-platinum catalytic converter for cleaning motor exhaust gases, which was presumed to involve the substitution of palladium.

On the London Metal Exchange, meanwhile, a continued slide in most base metals markets was led by nickel, which ended $750 down in the cash position at $15,400 a tonne. There was no fresh fundamental news to explain the metal's weakness, so dealers attributed it chiefly to technically-inspired selling which pushed the price through successive chart support areas.

A similar picture was seen in the copper and zinc markets, which continued their retreats from earlier record levels under pressure from chart-inspired selling. Cash high grade zinc ended the week $172.50 down at $1,692.50 a tonne, while cash grade A copper lost £63.50 to £1,842.50 a tonne. Slower demand and smoother supplies have been reflected in significant rises in stocks of both metals in recent weeks.

In contrast to the weakness of the LME base metals, tin – not quoted on the London exchange since the market collapse triggered in October 1985 by the financial failure of International Tin Council – moved to fresh 3½-year highs on the Kuala Lumpur market. The KL price rose 91 Malaysian cents on the week to 25.23 ringgit a kilogram – equivalent to just over £5,400 a tonne.

The strength of the market has raised doubts about the continued need for the Association of Tin Producing Countries' supply rationalisation scheme, just into its third year, which has been so successful in reducing the burden of stocks left overhanging the tin market following the 1985 crisis.

The ATPC executive committee, whose export quota curbs have been backed up by the co-operation of non-members Brazil and China, is to meet in Kuala Lumpur on April 10 to decide whether or not the scheme should be allowed to lapse. Malaysia, the biggest ATPC producer and a close second to Brazil in the world rankings, has already said that it would be in favour of scrapping export quotas if it was established that the market situation had returned to normal.

The latest surge in tin values has come at a good time for the LME, which is planning to reintroduce trading in the metal this summer. This week the exchange announced that it had written to producers listed on the market at the time of the 1985 suspension to ask if they would want to be listed on a relaunched market and, if so, whether they would be in favour of the contract quality being upgraded.

Mr Edward Dablin, chairman of the LME's tin sub-committee, said he expected the go-ahead for a relaunch to be given at a board meeting on April 12 and added that trading could start again as early as June 1.

The London International Petroleum Exchange's crude oil futures market had another active week as the aftermath of the Alaska oil spill disaster pushed prices of North Sea Brent crude higher on the spot market. The IPE's May crude contract ended the week 91 cents up at $19.57 e tonne, the highest level since the market's launch last year.

Among the food commodities sugar stood out, although the market's rise only represented a recovery of recent losses. On Tuesday the London daily raws price dipped to $276.40 e tonne as trade continued to reflect the drying up of consumer demand. But the trend was reversed as Soviet buying reappeared and yesterday the LDP was fixed at $295.20 a tonne, up $13.60 on the week.

Coffee prices trade erratically as the market searched in vain for a definite market trend ahead of next week's talks in London on the renegotiation of the International Coffee Agreement, which expires in September.

Richard Mooney

APPOINTMENTS

Isle of Man Bank chairman

■ **Mr Bryan Stott** has been appointed chairman of ISLE OF MAN BANK, part of National Westminster Bank, succeeding **Mr John Dean** who has retired to pursue other business interests. Mr Stott, joint managing director of Merlin International Properties, and chairman of the Tower Insurance Company, (Isle of Man subsidiary of the Royal Insurance Group), has been a director of the Isle of Man Bank since 1973.

■ **Mr Douglas Bull**, a director of Samuel Montagu and Co., has been elected vice chairman of the LONDON BULLION MARKET ASSOCIATION.

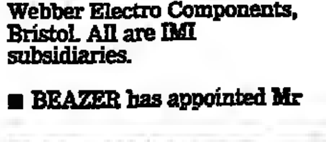
■ **Dr Joe Keiner**, senior vice president of Chrysalis Records international division, has been appointed a main board director of CHRYSALIS GROUP. Prior to joining the company in October 1988 he was president and chief executive officer of Adidas USA, and was formerly vice-president of RCA/Ariola International.

■ A.J. WORTHINGTON (HOLDINGS), Leek, Staffordshire, has appointed **Mr Jack Grant** as chairman. He is a former chairman of Hanover (Grand) and Stirling Group. **Mr Henry Schuldenfrei**, an investment banker, has been appointed director and deputy chairman. **Mr Sidney Friedland**, who has retired as chairman, remains a non-executive director. **Mr Seymour Gorman**, a senior partner of Lipkin Gorman, becomes a non-executive director.

■ **Mr Bernard Hautefort** has been appointed chief executive officer of CL-ALEXANDERS LAING & CRUICKSHANK CORPORATE FINANCE. He was international director of the holdings company, and previously was with the parent company, Credit Lyonnais.

■ The IR GROUP, part of Ford Financial Services, has appointed **Mr Colin Cooper** as operations director and **Mr Mike Munday** as finance director.

■ **Mr J.F. Staal** has been appointed executive chairman and **Mr N.D.K. Prosser** becomes managing director of IMI BAILEY BIRKETT, Manchester. **Mr T. Bawn** is made production director. Mr Staal also becomes chairman of Watson Smith, Leeds, and Webber Electro Components, Bristol. All are IMI subsidiaries.



Mr D.N.H. James *(left)* has been appointed group services director of CIBA-GEIGY. He was group information director. Mr J.A. Brewer *(right)* becomes head of human resources. He was company secretary of Ilford, and head of personnel.

Mr Jack Wigglesworth *(above)* has been appointed head of international fixed-interest investment at HENDERSON ADMINISTRATION GROUP. He is chairman of the membership rules committee and on the board of LIFFE.

■ BEAZER has appointed **Mr John Bennett** to the holding company board. He is assistant managing director of Beazer Homes and Property.

■ **Mr Geoffrey Allen** has been appointed director and general manager of the recently-created specialist homes division of Balfour Beatty Homes, a BICC company. He was head of Aria Estates, a company in the division.

■ **Mr I.C. Menzies**, a director and general manager of General Accident, joins the board of McKAY SECURITIES as a non-executive director, replacing **Mr A.D. Begg** who is retiring. **Mr D.A.L. Bird**, a non-executive director, becomes an executive director on the same date.

■ THE EUROPEAN SOFTWARE COMPANY, which distributes parent company Boole & Babbage's software in Europe, has appointed **Mr Edouard Williamson** as president. He succeeds **Mr Han Bruggeling**, president and chief executive officer of Boole & Babbage Inc.

■ **Mr Chris Boon** has been appointed operations director at SHERWOOD FINANCIAL SYSTEMS. He joins from Cheltenham Computer Bureau.

■ **Mr Michael Fuller**, a non-executive director of CLAREMONT (UK), has appointed **Mr Sheldon Cordell**, a lawyer, as his alternate. The company manages an oil and gas exploration and production group.

■ **Mr Barry Terrell** has been appointed customer service director of EDACOM DATA SYSTEMS. He joins from Tec U.K. where he was service and engineering manager.

Fleming posts

■ ROBERT FLEMING HOLDINGS has made the following appointments as directors from today: at Robert Fleming & Co - **Mr J. Bruce, Mr O. Ellingham, Mr M. Takagi**, and **Mr J. Watson**; at Robert Fleming Securities - **Mr V. Andrews, Mr M. Cowling, Mr L. Maddy**, and **Mr S. Codrington**; at Robert Fleming Management Services - **Mr G. Burnell**; at Fleming Investment Management - **Mr M.J. Hudson, Mr M.N. Hudson** and **Mr D. Jackson**; at Fleming International Investment - **Mr J. Harrison** and **Mr N. Rogan**; at Fleming International Fund Marketing - **Mr R. Williams**; and at Fleming Asset Management Services - **Mr C. Browne**.

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AUTHORISED UNIT TRUSTS

Abbey Unit Tst Mngrs (1200)H
60 Holdenhurst Rd, Bournemouth 0345 717373

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
High Income						
American Income	6	47.35	47.80xd	50.85	+0.12	5.39
Gilts & Fixed Int	6	111.9	111.9xd	118.8	-0.2	8.42
High Inc Equity	6	130.2	133.2	141.6	-0.7	4.48
Worldwide Bond	6	188.0	188.0xd	199.3	-0.2	4.87
Capital Growth						
American Growth	6	160.6	162.8	173.1	+0.5	1.67
Asian Pacific	6	86.57	88.23	93.86	+0.27	0.92
Assets & Earnings	6	157.7	162.0	172.3	-0.3	2.16
Capital Reserve Acc	0	83.93	83.43	83.94	.....	4.77
Comdty & Energy	6	96.37	99.27xd	105.6	+0.5	0.00
1992 Enterprise	6	54.63	55.61	59.15	-0.15	3.04
European Capital	6	76.67	77.27	82.20	+0.01	0.89
General	6	172.3	174.4xd	185.5	-0.0	2.43
Japan	6	106.7	108.5	115.4	+0.2	0.00
Mastertrust	6	80.45	81.92	87.14	-0.01	1.85
UK Growth Acc	6	197.7	206.2	219.3	+0.2	1.28
UK Growth Dist	6	132.6	138.3	147.1	-0.2	1.91
US Emerging Cos	6	46.83	48.46	51.55	+0.43	0.00
Income & Growth	6	284.6	290.9	309.4	-1.5	3.31
Ethical	6	48.33	49.43	52.63	-0.09	2.38

Abtrust Management Ltd (1000)H
10 Queens Terrace, Aberdeen AB9 1QJ 0800 833580

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
American	5¼	—	—	—	.....	—
Australian	5¼	—	—	—	.....	—
European	5¼	55.80	55.80	59.57	+0.22	0.00
Extra Income	5	43.15	42.15xd	44.74	-0.17	4.40
Fund Inv Tst	5	118.9	118.9	126.9	+0.1	1.97
Do Accum	5	181.2	181.2	193.4	+0.00	1.97
Gilt & Fixed Int	5¼	21.00	21.85xd	23.32	-0.01	10.02
Global Income	5¼	—	—	—	.....	—
Income & Growth	5¼	71.81	71.01	76.00	-0.08	3.70
Japan	5¼	184.0	184.8	197.5	+2.5	0.00
Nth Amer Inc (z)	5	27.09	27.09	28.77	+0.01	4.33
Special Situations	5¼	70.99	70.99	77.78	-0.14	0.00
UK Growth	5	36.28	36.28	38.91	-0.17	2.55
World Gwth	5	46.29	46.29	49.14	-0.04	0.46
Formerly Sentinel Funds Management Ltd						
American Majors	5¼	—	—	—	.....	—
Amer Tech & Gen	5¼	—	—	—	.....	—
European Growth	5¼	—	—	—	.....	—
European Income	5¼	54.53	54.53xd	58.21	-0.15	1.45
European Spec Sits	5¼	—	—	—	.....	—
Exempt	1	788.4	788.4	822.8	-3.6	3.47
F East Emerg Econ	5¼	37.91	37.91	40.61	+0.00	0.00
Intl Growth	5¼	—	—	—	.....	—
Intl Income	5¼	58.83	58.83	62.81	-0.13	5.10
Jap Tech & Gen	5¼	—	—	—	.....	—
Pacific	5¼	318.5	318.5	341.1	+1.1	1.16
Secure Income	5	196.7	196.7	210.0	-0.4	5.31
Small Co's	5¼	60.34	60.34xd	64.42	-0.37	3.24
Special Sits	5	265.0	265.0	282.9	-1.2	2.91
UK General	5¼	—	—	—	.....	—
UK Top 100 Mgd	5¼	25.00	25.00	26.69	-0.07	4.14

Buckmaster Mangmt Co Ltd—Contd.

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
General Inc	5	302.9	302.9	320.3	-0.8	2.18
(Accum Units)	5	503.8	503.8	532.0	-1.4	2.18
Income	5	153.6	159.1	168.8	-0.6	3.40
(Accum Units)	5	293.6	304.0	322.5	-0.7	3.45
International	5	114.5	114.5	121.1	-0.7	1.52
(Accum Units)	5	156.1	156.1	165.1	-1.0	1.52
Smaller Co's	5	112.2	115.1	122.1	-0.3	0.91
(Accum Units)	5	122.8	125.9	133.6	+0.2	0.91
Inc Portfolio	2½	52.88	54.77	56.46	-0.15	3.27
(Accum Units)	2½	53.81	55.77	57.49	-0.14	3.27
High Income Port	3	48.64	48.48	50.15	-0.12	7.00

Burrage Unit Tst Mangmt Ltd (0905)F
117 Fenchurch St, London EC3M 5AL 01-480 7216

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Stk Ded Gilt & FI	1¼	52.41	52.41xd	53.13	+0.01	11.37

CCL Unit Trusts Ltd (1400)F
74 Shepherds Bush Green, W12 8SD 01-740 7070

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
UK General Tst	5½	53.14	54.09	57.8	+0.28	2.70
Global Tst	5½	40.87	41.03	43.88	+0.01	2.30
Recovery Tst	5½	56.10	57.48xd	61.15	-0.03	2.61

CIBC Unit Tst Managers plc (1200)H
Cottons Ctr, Cottons Lane, Ldn. SE1 2QL 01 234 6000

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Growth Fd Acc	5	105.3	106.7	112.6	.....	3.51

CS Fund Managers Limited (1000)H
125 High Holborn, London WC1V 6PY 01-242 1148

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
CS America	5	33.17	33.17xd	36.56	+0.11	0.72
CS International	5	53.76	53.76	57.19	+0.05	1.99
CS Japan	5	121.9	121.9	129.7	-0.8	0.32
CS Portfolio Inc ♥	5	70.77	70.73xd	75.24	+0.05	1.69

Canada Life Unit Tst Mgrs Ltd (1200)F
2-6 High St, Potters Bar, Herts 0707 51122

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Can Gen Dist	5	138.7	140.8	148.2	-0.20	3.12
Do Gen Accum	5	226.3	234.9	247.3	-0.30	3.12
Do Income Dist	5	94.53	98.22	103.4	-0.20	5.45
Do Inc Accum	5	212.3	220.8	232.4	-0.50	5.45
Gilt & Fxd Int	5	36.49	36.62xd	38.55	-0.05	8.33

Cannon Fund Managers Ltd (0700)H
1 Olympic Way, Wembley, HA9 0NB
01-902 8876. Dealing: 0800 282621

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Growth	5½	36.72	37.31	39.69	+0.05	2.48
Income	5½	46.56	47.39	50.41	+0.01	4.13
Far East ♥	5½	34.73	35.37	37.63	+0.10	0.17
North American ♥	5½	29.72	29.72	32.09	+0.17	0.65
Global ♥	5½	48.25	49.11xd	52.24	+0.18	0.65
European	5½	46.80	47.52xd	50.55	-0.70	1.06
Japan ♣	5½	99.32	101.5	107.5	+0.20	0.01
Intl Currency Bd	5½	43.60	43.60	46.24	-0.04	6.00
Strategic Opps	5½	54.76	56.58	60.19	+0.21	1.25

Capability Trust Mngrs Ltd (1200)F
Admin. 5 Rayleigh Road, Hutton, Brentwood, Essex
Enquiries 0277 227300 Dealing 0277 261010

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
American & Gen	5	65.23	65.84xd	70.04	-0.06	2.17
(Accum Units)	5	68.19	68.83xd	70.22	-0.06	2.17
European Inc	5	48.65	48.83	51.95	-0.33	0.70
(Accum Units)	5	49.26	49.44	52.60	-0.34	0.70
Far East & Gen	5	62.30	62.30	67.55	-0.02	0.00
(Accum Units)	5	63.50	63.50	67.55	-0.02	0.00
Glenfriars	5	249.1	256.3	271.6	-1.1	1.10
(Accum Units)	5	259.7	266.2	283.2	-1.1	1.18
Growth	5	253.2	253.2xd	269.4	-1.0	2.15
(Accum Units)	5	388.6	388.6xd	413.4	-1.6	2.15

Midland Unit Trusts Ltd (1200)F
192 Eyre Street, Sheffield, S1 3RD

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
British Tst	5¼	54.19	54.44xd	57.91	[illegible]	[illegible]
(Accum Units)	5¼	56.07	56.33	59.96	-0.21	[illegible]
Capital	5	114.5	114.5	121.8	-0.58	[illegible]
(Accum Units)	5	143.9	164.0	174.5	-0.70	[illegible]
European Growth	5	113.9	113.9	120.9	-0.20	[illegible]
(Accum Units)	5	139.7	139.7	147.3	[illegible]	[illegible]
Extra High Inc	5¼	71.60	72.57	77.20	[illegible]	[illegible]
(Accum Units)	5¼	95.72	96.91	103.1	[illegible]	[illegible]
Gilt & Fxd Inc	4	51.65	51.68xd	54.18	[illegible]	[illegible]
(Accum Units)	4	101.5	101.5	106.9	[illegible]	[illegible]
High Yield	5	228.7	210.5	223.4	[illegible]	[illegible]
(Accum Units)	5	395.8	397.2	422.6	[illegible]	[illegible]
Income	5	225.8	225.9	251.0	[illegible]	[illegible]
(Accum Units)	5	419.3	419.4	446.2	[illegible]	[illegible]
Intl High St UT	5¼	53.01	53.02	56.40	-0.07	[illegible]
(Accum Units)	5¼	53.89	53.90	57.34	[illegible]	[illegible]
Japan & Pacific	5	369.9	369.9xd	392.5	+0.5	0.00
(Accum Units)	5	388.0	388.0	412.3	+0.5	0.00
Mandarin Tst	5¼	52.83	52.04	55.29	+0.00	1.42
(Accum Units)	5¼	52.03	52.04	55.29	+0.05	1.42
Mngd P'folio Acc	5¼	66.35	66.91	71.18	-0.18	1.81
Money Market UT	4	49.27	49.28xd	51.24	+0.02	10.93
North American	5	107.6	107.7	114.6	-0.2	0.69
(Accum Units)	5	132.3	132.4	140.9	-0.2	0.69
Smaller Cos	5	178.2	178.2	189.6	.....	2.08
(Accum Units)	5	197.5	197.5	210.2	.....	2.08
Meridian Income	5¼	106.1	107.3xd	113.5	-0.4	3.77
(Accum Units)	5¼	108.8	110.0	116.4	-0.4	3.77
Meridian Growth	5¼	112.8	113.9	120.5	.....	1.72

Providence Capital Fd Mgrs Ltd (1200)H
50 Uxbridge Road, London W12 8PG

	Init Chrge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Worldwide Inc	6	86.92	86.92xd	93.[illegible]	[illegible]	[illegible]
Worldwide Acc	6	92.94	92.94xd	97.[illegible]	+0.34	[illegible]
UK Equity Inc	6	75.90	75.90	[illegible]	-0.71	[illegible]
UK Equity Acc	6	82.42	82.42	[illegible]	-0.78	[illegible]
European Inc	6	98.95	98.95	[illegible]	-0.4	[illegible]
European Acc	6	101.90	101.90	[illegible]	-0.4	[illegible]
Nth American Inc	6	55.08	55.08xd	[illegible]	[illegible]	[illegible]
Nth American Acc	6	57.11	57.11xd	[illegible]	+0.16	[illegible]
Japan Inc	6	110.10	110.10	[illegible]	+0.2	[illegible]
Japan Acc	6	110.30	110.30	[illegible]	+0.2	[illegible]
UK High Inc Eq Inc	6	69.13	69.13	[illegible]	-0.4	[illegible]
UK High Inc Eq Acc	6	74.78	74.78	[illegible]	-0.4	[illegible]
Hong Kong Inc	6	48.61	48.61xd	[illegible]	+0.4	[illegible]
Hong Kong Acc	6	50.30	50.30xd	[illegible]	+0.4	[illegible]
Swiss Equities Inc	6	31.87	31.87	[illegible]	[illegible]	[illegible]
Swiss Equities Acc	6	32.15	32.15	[illegible]	[illegible]	[illegible]
W'wide Bond Inc	6	50.41	50.41xd	[illegible]	[illegible]	[illegible]
W'wide Bond Acc	6	52.05	52.05xd	[illegible]	[illegible]	[illegible]
Emerging Asia Inc	6	65.07	65.07	[illegible]	+0.47	[illegible]
Emerging Asia Acc	6	65.07	65.07	[illegible]	[illegible]	[illegible]

GUIDE TO UNIT TRUST PRICING

INITIAL CHARGES
These represent the marketing, administrative and other costs which have to be paid by new purchasers. These charges are included in the price when the customer buys units.

OFFER PRICE
The price at which units may be bought.

BID PRICE
The price at which units may be sold.

CANCELLATION PRICE
The maximum spread between the offer and bid prices is determined by a formula laid down by the government. In practice, unit trust managers quote a much narrower spread. As a result, the bid price is often set well above the minimum permissible price which is called the cancellation price in the table. However the bid price might be moved to the cancellation price in circumstances in which there is a large excess of sellers of units over buyers.

TIME
The time shown alongside the fund manager's name is the time at which the unit trusts' daily dealing prices are normally set, unless another time is indicated by the symbol alongside the individual unit trust name. The symbols are as follows: ♥ - 0001 to 1100 hours; ♦ - 1101 to 1400 hours; ♠ - 1401 to 1700 hours; ♣ - 1701 to midnight.

HISTORIC PRICING
The letter H denotes that the managers will deal on a historic price basis. This means that investors can obtain a firm execution at the time of dealing. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis.

FORWARD PRICING
The letter F denotes that prices are set on a forward basis so that investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper show the prices at which deals were carried out yesterday.
Other explanatory notes contained in last column of the FT Unit Trust Information pages.

مكتبة الأصيل

هكذا من الأصل

FT UNIT TRUST INFORMATION SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 01-925-2128

Windsor Trust Mngrs Ltd (1200)F
83 Kingsway, London, WC2B 6SB 01-405 8331

	Init Chge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Capital & Equity	5	62.40	65.65	69.84	-0.31	5.72
European	5	59.50	60.05	63.88	-0.34	0.27
Far Eastern	5	56.21	56.26	59.85	+0.16	1.02
Growth Inc	5	89.46	92.76	98.68	-0.24	1.48
Growth Acc	5	89.46	92.76	98.68	-0.24	1.48
Income Inc	5	81.82	83.50	88.84	-0.13	3.41
Income Acc	5	81.82	83.50	88.84	-0.13	3.41
Property Share	5	55.60	55.60	59.25	-0.26	1.14
Smaller Co's	5	60.65	63.68	67.75	-0.08	1.44
Property BMC Trust Managers Ltd						
Nth American	5	53.97	53.97	57.72	....	1.89
International	5	43.44	43.44	46.44	....	1.52

Wright Seligman Fund Mngrs Ltd (1000)H
11 Blomfield St, London EC2M 7AY 01-588 8592

	Init Chge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Growth	5	91.52	91.52	96.52	....	3.92

Weekly dealing day Tuesday

The Yorkshire Unit Tst Mngrs Ltd (1100)F
Woodsome Pk, Fenay Bdge, Huddersfield 0484 602250

	Init Chge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Yorkshire General	5½	61.97	64.17	68.27	-0.02	2.07
[illegible]	5½	59.67	59.67	60.65	-0.20	4.44
[illegible]	5½	46.86	46.86	50.06	-0.13	1.09

OTHER UK UNIT TRUSTS

Baillie Gifford & Co Ltd

	Bid Price	Offer Price	+ or -	Yield Gr's
Int'l Exgt Feb 15	428.8	445.3	....	-

Cent. Bd. of Fin. of Church of England‡‡
2 Fore Street, London EC2Y 5AQ 01-588 1815

	Bid Price	Offer Price	+ or -	Yield Gr's
Inv Fund Feb 28	485.80		....	4.88
Fxd Int Sec Feb 28	142.55		....	10.03
Deposit Feb 28	100.00		....	12.55

Charities Official Invest. Fund‡‡
2 Fore Street, London EC2Y 5AQ 01-588 1815

	Bid Price	Offer Price	+ or -	Yield Gr's
Income Feb 28	460.59		....	5.06
Accum Feb 28	1493.07		....	

Edinburgh Fund Mngrs PLC
Exempt Funds

	Bid Price	Offer Price	+ or -	Yield Gr's
American Mar 29	121.6	126.1	+0.7	1.80
Managed Mar 29	127.7	132.5	+1.6	2.17
Japan Mar 30	136.6	140.3	+7.3	0.14
Pacific Mar 31	423.2	434.7	+13.3	0.21
Sm Jap Cos Mar 31	263.6	270.8	+4.0	0.10

Fidelity Investment Services Ltd

	Bid Price	Offer Price	+ or -	Yield Gr's
Mngd Pens P'folio	115.9	118.9	+0.10	1.69

Robert Fleming Asset Mngmt Ltd

	Bid Price	Offer Price	+ or -	Yield Gr's
Am Exempt Mar 28	342.00	347.01	....	2.03
Gen Exempt Mar 28	120.20	122.51	....	4.23
Jap Exempt Mar 28	620.11	632.42	....	0.50
Indexed Exempt Mar 30	110.83	113.41	+0.86	4.01
O'seas Indexd Exp. Mar 30	100.48	102.66	+2.77	2.02

Foreign & Colonial Pens Mngt Ltd
Exempt Funds

	Bid Price	Offer Price	+ or -	Yield Gr's
Anglo-Nippon	1735.6	1822.1	....	-
European Inc	88.7	93.4	....	-
European Acc	92.9	97.9	....	-
Managed Exempt	132.7	137.9	....	-
North American	443.8	450.8	....	-
South East Asia	262.0	275.7	....	-

Funds in Court*

	Bid Price	Offer Price	+ or -	Yield Gr's
Capital Mar 17	443.8	445.9	....	2.26
Gross Mar 17	203.9	204.8	....	6.59
High Yield Mar 17	300.1	300.4	....	5.34

* Restricted to monies under Court control

Henderson Unit Trust Management Ltd

	Bid Price	Offer Price	+ or -	Yield Gr's
Pensions Mngd	47.84	50.06	+0.02	3.48

Lazard Investors Ltd ‡‡
Exempt Funds

	Bid Price	Offer Price	+ or -	Yield Gr's
Small Co's Mar 28	4425.4	4840.9	....	1.4
European Mar 28	393.9	417.0	....	0.9
American Mar 28	288.6	297.4	....	2.2
Far Eastern Mar 28	652.8	692.1	....	0.2
Australian Mar 28	134.8	142.9	....	2.5
Ridings Mar 11	221.1	239.1	....	0.8
Northumbria Mar 10	194.9	208.7	....	1.4
North West Mar 10	263.4	285.1	....	0.7

INSURANCES

Allied Dunbar Assurance Plc
Allied Dunbar Ctr, Swindon SN1 1EL 0793 514514

	Bid Price	Offer Price	+ or -	Yield Gross
Fixed Inc. Dep. Acc	256.9	270.5	....	-
Equity Acc	817.3	860.6	-2.1	-
Property Acc	485.4	511.0	....	-
Far East Acc	196.9	207.3	+0.4	-
European Acc	20.8	21.9	+0.1	-
Managed Acc	647.4	681.5	-1.3	-
Managed Cap	368.5	387.9	-0.8	-
O'seas Earnings Acc	542.1	570.7	-1.1	-
Gilt Edged Acc	314.7	331.3	-0.8	-
American Equity Acc	408.9	430.3	+0.1	-
American Man. Acc	190.9	201.0	....	-
American Prop Acc	139.5	146.9	....	-
Pen F I. Dep. Cap	282.8	297.7	+0.1	-
Pen. F I. Dep. Acc	481.0	506.4	+0.2	-
Pen. Prop. Cap	368.8	388.2	....	-
Pen. Prop. Acc	1068.4	1124.7	+0.2	-
Pen. Man. Cap	792.4	834.2	-2.4	-
Pen. Man. Acc	1487.7	1566.1	-4.3	-
Pen. Gilt Edg. Cap	314.6	331.2	-0.6	-
Pen. Gilt Edg. Acc	482.6	508.1	-0.8	-
Pen. Eq. Cap	1295.1	1363.3	-4.7	-
Pen. Eq. Acc	1843.0	1940.0	-6.4	-
Pen. Am. Eq Cap	130.3	137.2	+0.4	-
Pen. Am. Eq Acc	156.2	164.5	+0.6	-
Pen. Far East Cap	234.9	247.3	-0.9	-
Pen. Far East Acc	281.7	296.6	-1.1	-
Pen. Euro Cap	23.4	24.7	....	-
Pen. Euro Acc	25.3	26.7	....	-
Pen. B.S. Acc	525.1	561.4	+0.2	-
Pen. B.S. Cap	317.4	333.3	+0.1	-
Pen. D.A.F. Acc	368.4	368.4	+0.1	-
Pen. D.A.F. Cap	249.9	249.9	....	-
Pen. Mortgage Cap	141.9	149.4	....	-
Pen. Mortgage Acc	170.2	179.2	+0.1	-
Baring Funds				
Pen Equ Cap	27.0	28.5	....	-
Pen Equ Acc	27.9	29.4	-0.1	-
Pen Acc Eq Cap	28.5	30.1	-0.2	-
Pen Acc Eq Acc	29.5	31.1	-0.2	-
Pen Far East Cap	29.1	30.7	-0.1	-
Pen Far East Acc	30.1	31.7	-0.2	-
Pen Euro Cap	31.6	33.3	....	-
Pen Euro Acc	32.7	34.3	-1	-
James Capel Funds				
Pen Equ Cap	28.0	29.5	-0.2	-
Pen Equ Acc	28.9	30.5	-0.1	-
Pen Am Eq Cap	28.5	30.1	....	-
Pen Am Eq Acc	29.5	31.1	....	-
Pen Far East Cap	29.1	30.7	....	-
Pen Far East Acc	30.2	31.8	+0.1	-
Pen Euro Cap	28.5	30.1	+0.1	-
Pen Euro Acc	29.5	31.1	+0.1	-

Ambassador Life Assce. Co Ltd
80 Holdenhurst Rd, Bournemouth 0202 292345

	Bid Price	Offer Price	+ or -	Yield Gross
Equity Fund Acc	149.0	156.9	+0.1	-

American Life Insurance Co UK
2-8 Altyre Road, Croydon CR9 2LA 01-680 6000
Life Funds (Accumulation Units)

	Bid Price	Offer Price	+ or -	Yield Gross
Premier Managed(z)	149.8	158.5	+0.1	-
Alpha Managed(z)	110.60	116.5	+0.3	-
HICA Managed(z)	88.2	92.7	+0.3	-
UK Equity(z)	123.1	129.7	+0.1	-
Deposit(z)	112.3	118.2	....	-
Property(z)	175.3	184.8	-0.8	-
American(z)	85.6	90.1	....	-
Far Eastern(z)	124.8	131.5	+2.0	-
International(z)	105.9	111.5	+0.6	-
Fixed Interest(z)	93.9	98.9	....	-
European(z)	96.9	102.0	+0.1	-
Pension Funds (Accumulation Units)				
Premier Managed(z)	166.3	175.1	+0.2	-
Alpha Managed(z)	114.2	120.3	+0.3	-
HICA Managed(z)	90.1	94.7	+0.3	-
UK Equity(z)	131.8	138.8	-0.4	-
Deposit(z)	120.7	127.1	....	-
Property(z)	204.0	214.7	-1.4	-
American(z)	86.9	91.5	....	-
Far Eastern(z)	134.0	141.1	+1.7	-
International(z)	106.8	112.5	+0.7	-
Fixed Interest(z)	98.8	104.0	....	-
European(z)	98.5	103.7	+0.2	-
Cash Guarantee(z)	102.2	107.6	....	-

Initial Unit prices available on request.

City of Edinburgh Life Assurance
46 Charlotte Sq, Edinburgh EH2 4HQ 031-225 1665

	Bid Price	Offer Price	+ or -	Yield Gross
Managed Inv Tax Fd	53.8	56.8	....	-
Risk & Reward Bond	175.0	185.0	....	-
Money Market Fd	125.0	132.0	....	-
Investment Strategy Fd	110.0	116.0	....	-
Predator Fd	87.0	92.0	....	-
Flagship Fd	108.0	114.0	....	-
Ivory & Sime Pens Fd	128.0	135.0	....	-
Risk & Reward Pens Fd	169.0	178.0	-1.0	-
Murray J'stone Pens Fd	164.0	173.0	....	-
Inv Strategy Pens Fd	140.0	148.0	....	-
Predator Pens Fd	118.0	125.8	....	-

City of Westminster Assurance (z)
PO Box 469, 500 Avebury Blvd, Milton Keynes MK9 2NU
Current Series

	Bid Price	Offer Price	+ or -	Yield Gross
Property Fund	185.5	198.3	+4.3	-
Secure Grth Fund	262.3	276.2	+0.0	-
Managed Fund	500.3	526.7	-0.8	-
Equity Fund	397.1	418.0	-1.4	-
Fixed Interest Fund	163.8	172.5	-0.4	-
Far East Fund	289.9	305.2	+0.7	-
North American Fund	129.3	136.2	+0.2	-
Natural Resources Fund	216.4	227.8	-0.9	-
Pension Managed Fund	534.5	562.7	-1.0	-
Pension Equity Fund	425.3	447.7	-1.0	-
Pensions Fixed Int	167.0	175.8	-0.9	-
Pensions European	123.7	130.3	+0.0	-
Pensions Intl	122.7	129.2	+0.3	-
Pens Adventurous Mgd	174.4	183.6	-0.1	-
Pensions Balanced Mgd	165.2	173.9	+0.1	-
Pens Conservative Mgd	160.3	169.0	+0.0	-
Adventurous Mngd Fd	200.3	210.9	+0.0	-
Balanced Mngd Fd	188.5	198.5	-0.1	-
Conservative Mngd Fd	186.1	195.9	+0.1	-
European Fund	133.6	140.7	+0.1	-
International Fund	162.3	170.9	-0.1	-

For other prices please telephone 0908 690888

Clerical Medical/Fidelity International
Narrow Plain, Bristol BS2 0JH 0272 290566
Investment Funds

	Bid Price	Offer Price	+ or -	Yield Gross
Ruby	108.5	114.1	....	-
Sapphire/Mixed	178.6	188.0	-0.1	-
Emerald	98.3	103.5	....	-
Equity	206.2	217.1	-0.3	-
Property	186.2	196.1	+0.1	-
Gilt & Fixed Interest	133.6	140.7	-0.3	-
Indexed Securities	116.2	122.4	+0.1	-
Cash	127.8	134.6	....	-
North American	122.3	128.8	+0.5	-
Far East	189.5	200.3	+1.3	-
International	141.5	149.0	+0.5	-
Special Situations	213.1	224.4	-0.6	-
International Income	191.6	201.7	-0.1	-
American Income	115.3	121.4	+0.7	-
European	183.9	193.6	-0.1	-
South East Asia Fund	155.6	155.6	+0.6	-
Japan Fund	137.0	144.3	+1.2	-
Homeinvestor W-P Reg	102.5	107.9	+0.1	-
Homeinvestor W-P Sec	102.5	107.9	+0.1	-
Flexible Retirement Plan				
Mixed	180.7	190.3	+0.1	-
Equity	198.0	208.5	-0.3	-
Property	174.0	183.2	+0.4	-
Gilt & Fixed Interest	150.1	158.1	-0.2	-
Indexed Linked	123.4	129.9	-0.2	-
Cash	146.5	154.3	....	-
North American	128.8	135.6	+0.3	-
Far East	239.0	251.6	+2.2	-
International	164.1	172.8	+0.4	-
Special Situations	300.9	316.8	-0.2	-
European	225.6	237.5	-0.1	-
Executive Investment Pension Plan				

Prices on March 29 Unit dealings on Wednesday.

	Bid Price	Offer Price	+ or -	Yield Gross
Cash Fd	178.3	187.7	....	-
Mixed Fd	248.0	261.1	....	-
Fixed Int. Fd	189.7	199.7	....	-
UK Equity Fd	312.2	328.7	....	-
Property Fd	204.7	215.5	....	-
Overseas Fd	193.5	203.7	....	-
Index Linked Fd	133.5	140.6	....	-
Stock Ex. Fd	201.2	211.8	....	-
North Am Fd	129.6	136.5	....	-
Far East Fd	238.8	251.4	....	-
Special Sits Fd	293.8	309.3	....	-
Europ. Fd	222.9	234.7	....	-

Initial prices available on request.
For other prices telephone 0272 290566

Devonshire Life
29 Glasshouse St., W1R 5RG 01-434 9512

	Bid Price	Offer Price	+ or -	Yield Gross
Managed	157.4	165.7	-0.4	-
World Growth	118.8	125.1	+0.5	-
UK Equity	182.2	191.9	-1.2	-
UK Small Companies	178.3	187.7	+0.1	-
European	112.6	118.6	+1.6	-
Far Eastern	213.6	224.9	-0.1	-
Nth American	102.5	108.0	+0.4	-
Fixed Interest	128.7	135.6	-0.5	-
Index Linked Stks	138.8	146.2	-0.2	-
Money	114.8	120.9	+0.0	-
Pen Managed	198.4	208.9	-0.3	-
Pen World Growth	117.1	123.3	+0.4	-
Pen UK Equity	262.3	276.2	-2.1	-
Pen UK Small Cos	237.4	250.0	+0.2	-

Assicurazioni GENERALI SpA
117 Fenchurch St, London EC3M 5DY 01-488 0733

	Bid Price	Offer Price	+ or -	Yield Gross
Hambro Generali UK Eq	138.8	146.2	+1.6	-
Hambro Generali Poly	186.0	195.9	+0.8	-
Hambros Canadian	112.9	118.9	+0.7	-
Hambros Equity Inc	151.3	159.3	+0.9	-
Hambros European	114.7	120.8	+1.6	-
Hambros High Income	205.6	216.5	+0.7	-
Hambros Jap & Far East	179.0	188.5	+5.4	-
Hambros Nth American	143.0	150.6	+4.2	-
Hambros Res & Assets	167.1	175.9	+2.1	-
Hambros Scandinavian	149.9	157.0	+2.9	-
Hambros Smaller Cos	163.9	172.6	-0.7	-
Generali Intnl Managed	458.0	482.2	+0.0	-
Generali Int Mgd Pens	200.5	211.0	+4.8	-
Generali Cash	127.1	134.0	+0.3	-

Gresham Unit Assurance Ltd
2-6 Prince of Wales Rd, Bournemouth 0202 752000

Irish Life Assurance Co Plc—Contd.

The LAS Group
10 George St, Edinburgh 031-225 8494

M & G Life and M & G Pensions—Contd.

MGM Assurance(z)
MGM House, Heene Rd, Worthing 0903 204631

NEL Britannia Assce Co Ltd
Milton Court, Dorking, Surrey 0306 887766

NEL Pensions Ltd
Milton Court, Dorking, Surrey 0306 887766

NM Schroder Life Assurance Ltd

ManuLife Group PLC
St George's Way, Stevenage Enquiries 0438 356101

Lancashire & Yorkshire Assce Society
Moorgate Hall, Moorgate Rd, Rotherham 0709-829191

Laurentian Life plc
Barnwood, Gloucester GL4 7RZ 0452 371371

Growth & Sec. Life Assce. Soc. Ltd
Mill Green Rd, Haywards Hth, W. Sussex 0444 413907

Guardian Royal Exchange
Royal Exchange, EC3 01-283 7101

Merchant Investors Assurance Co Ltd

Eagle Star Insurance Co Ltd
Bath Road, Cheltenham GL53 7LQ 0242 221 311

Eagle Star Insur./Midland Assur.
60 St. Mary Axe, London EC3 01-929 1111

Economic Insurance Company Ltd
London Rd, Sittingbourne, ME10 1PE 0795 24321

Edinburgh Money Management Ltd
43 Charlotte Square, Edinburgh EH2 4HQ 031 220 1244

Equitable Life Assurance Society
Walton St, Aylesbury Bucks HP21 7QW 0296 393100

Equity & Law
Amersham Road, High Wycombe 0494 463463

Continued on next page

FT UNIT TRUST INFORMATION SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 01-925-2128

Pioneer Mutual Insurance Co Ltd
16 Crosby Rd, N. Waterloo, Liverpool 051-928 6655

	Bid Price	Offer Price	+ or -	Yield Gross
Managed Fund	291.4	306.8	-----	-
Man Pens Inc & Cap Fds	381.5	401.6	-----	-
Money Fund	118.0	124.3	-----	-
Pens Mngd Fd (Init)	101.6	107.0	-----	-
Pens Mngd Fd (Acc)	121.7	128.2	-----	-
Pens FT30 Fd (Init)	142.7	150.3	-----	-
Pens FT30 Fd (Acc)	170.8	179.8	-----	-
Pens O'seas MgFd(Init)	72.0	75.8	-----	-
Pens O'seas MgFd(Acc)	86.2	90.8	-----	-
Pens Fxd Int Fd (Init)	104.9	110.5	-----	-
Pens Fxd Int Fd (Acc)	125.6	132.3	-----	-
Pens Deposit Fd (Init)	104.0	109.5	-----	-
Pens Deposit Fd (Acc)	124.5	131.1	-----	-

Premium Life Assurance Co Ltd
37-39, Perrymount Road, Haywards Heath 0444 458721

	Bid Price	Offer Price	+ or -	Yield Gross
American	112.0	118.0	+1.0	-
Building Soc. Fd.	169.0	178.0	+1.0	-
Balanced	274.0	289.0	...	-
European	155.00	164.00	-1.0	-
GT Managed	174.0	184.0	...	-
Gartmore Mngd.	113.0	119.0	+2.0	-
German	103.0	109.0	...	-
Gilt	177.0	187.0	+1.0	-
Global	48.0	51.0	...	-
High Inc.	117.0	124.0	+1.0	-
International Equity	100.0	140.0	...	-
Japan	237.0	250.0	+1.0	-
Managed	62.0	66.0	...	-
Property	276.0	291.0	...	-
R. M. Imperial Gold	132.0	139.0	+2.0	-
UK Equity	369.0	389.0	-1.0	-
Pension Funds				
American	138.0	146.0	+0.3	-
Building Soc. Fd.	167.0	176.0	...	-
Balanced	212.0	224.0	-0.1	-
European	156.0	165.0	+0.5	-
German	95.0	100.0	...	-
Gilt	149.0	157.0	...	-
International Equity	134.0	142.0	+0.2	-
Japan	136.0	144.0	+0.4	-
Managed	62.0	66.0	-0.1	-
Property	213.0	225.0	...	-
UK Equity	329.0	347.0	-0.3	-

Prolific Life & Pensions Ltd
Stramongate, Kendal, Cumbria LA9 4BE 0539 33733
Managed Fund see Balanced Growth Managed Fund

	Bid Price	Offer Price	+ or -	Yield Gross
Balanced Gwth Mngd.	572.7	605.5	+0.6	-
Adventurous Mngd.	118.2	125.8	+0.0	-
Secure Mngd.	107.9	113.7	+0.0	-
Cash Fd.	229.6	242.0	+0.7	-
Property Fund	281.9	299.9	+1.0	-
Equity Fund	631.3	671.6	-1.2	-
Fxd. Int. Fund	298.1	314.2	+0.2	-
International	280.9	298.9	-0.1	-
High Income	472.9	503.1	-2.9	-
Far East	420.2	447.1	+0.7	-
North American	239.1	254.4	+0.6	-
Special Sits.	592.5	630.4	-2.6	-
Technology	229.0	243.7	-0.1	-
Extra Inc Fd	282.3	300.4	-1.4	-
Convertible & Gilt Fd.	154.8	164.7	-1.4	-
American Income	118.6	125.0	-0.6	-
Gilt Fund 20	301.1	320.4	+2.6	-
European Fund	94.0	100.1	+0.4	-
Pref & Fixed Int.	102.3	107.8	+0.2	-
Balncd Gth Mgd Pens Acc	544.6	573.1	+1.6	-
Adventurous Mgd Pens Acc	114.3	120.9	-0.2	-
Secure Mngd Pens Acc.	106.0	111.6	+0.0	-
Building Soc. Acc.	238.5	251.1	+1.1	-
Property Pens. Acc.	287.2	302.4	+3.3	-
Fix. Int. Pens. Acc.	399.0	420.1	+0.2	-
Equity Pens. Acc	712.1	749.6	+1.9	-
International Pens Acc	259.3	273.2	-0.6	-
High Inc Pens Acc	482.1	507.5	-2.8	-
Tech Pens Acc	150.0	158.0	-0.1	-
N American Pens Acc.	161.5	170.0	+0.4	-
Far Eastern Pens Acc.	413.7	435.5	+0.0	-
Special Sits Pens Acc.	471.7	496.6	-1.2	-
Extra Income Pens Fd.	323.3	340.4	-1.3	-
Convertible & Gilt Pen	167.7	176.6	-1.4	-

Prudential Holborn Pensions Ltd
30 Old Burlington St, London W1X 1LB 01-439 3134

	Bid Price	Offer Price	+ or -	Yield Gross
Managed	535.9	564.2	+0.3	-
Equity	776.1	817.0	-0.1	-
Global Equity	219.3	230.9	+1.0	-
Fixed Interest	399.8	420.9	-0.2	-
Property	378.1	398.0	-----	-
Cash	152.6	160.7	+0.1	-
Index Linked Gilt	194.9	205.2	-0.7	-
Guaranteed	12.06		-----	-
International Money	197.1	207.5	+1.0	-
North American	59.7	62.9	+0.1	-
Japanese	135.0	142.2	+2.6	-
European	80.8	85.1	+0.4	-
Special Situations	113.2	119.2	-0.3	-
Communications	98.1	100.2	+0.1	-
Smaller Companies	107.5	113.2	-0.3	-
International Small Cos.	117.1	123.3	+0.4	-

Prudential Pensions Limited
Holborn Bars, London EC1N 2NH 01-405 9222

	Bid Price	Offer Price	+ or -	Yield Gross
Discretionary Mar 29	£148.04	158.15	-----	-
Equity Mar 29	£163.11	169.07	-----	-
International Mar 29	£23.56	24.27	-----	-
Intl Bond Mar 29	£11.23	11.58	-----	-
Fixed Int. Mar 29	£71.77	72.75	-----	-
Index Linked Mar 29	£60.79	61.54	-----	-
Property Mar 29	£106.14	112.53	-----	-
Cash Mar 29	£20.3706	20.3706	-----	-
Pru-Linked Retirement Plan				
Managed Mar 22	368.5	383.9	-----	-
Cash Mar 22	191.6	199.6	-----	-
Prudential Pensions Investment Account				
Pens Mngd Mar 31	150.6	158.6	+0.4	-
Pens UK Eq Mar 31	292.6	308.0	+0.7	-
Pens IMI Mar 31	174.0	183.2	+1.1	-
Pens Fixed Mar 31	164.6	173.3	...	-
Pens Index Lk Mar 31	154.6	162.8	-0.1	-
Pens Cash Mar 31	125.2	131.8	-----	-

Regency Life Assurance Co Ltd
Regency Hse, Lanark Sq, London E14 9XS 01-538 8800

	Bid Price	Offer Price	+ or -	Yield Gross
Aggressive Ptflio Fd.	114.9	120.9	-0.2	-
Balanced Ptflio Fd.	302.7	318.6	-0.5	-
Cautious Ptflio Fd.	120.0	126.3	-0.3	-
Elite Fund	105.2	110.7	-0.3	-
European Fund	76.7	80.7	+0.3	-
Far East Fund	109.4	115.1	-1.4	-
Fixed Interest Fund	241.8	254.5	-1.0	-
International Fund	246.8	259.7	+0.3	-
Money Fund	173.9	183.0	+0.0	-
N. American Fd.	105.3	110.8	+0.1	-
Property Fund	415.4	437.2	-1.2	-
UK Equity Fd	369.7	389.1	+0.7	-
& I M Brewin Dlphn Fd.	90.1	94.8	-0.2	-
Swim Select Invs	107.4	113.1	-0.6	-
Chart Safety First Bd.	108.2	113.9	-0.2	-
Conquest Fund	68.3	71.9		-
Exec Master Fd	91.4	96.3	+0.1	-
Hardwick Growth Fd.	108.3	114.0	+0.0	-
Bentley Harg LR Port.	97.5	102.6	+0.0	-
Milbourne Spec Port.	107.3	112.8	+0.0	-
Swim Global Fd.	108.9	114.1	+0.0	-
Hardwick Tst Fd	71.7	75.5	+0.0	-

All funds have equivalent pension fund. Series 2 prices above. Others available from Regency Life.

Reliance Mutual
Reliance House, Tunbridge Wells, Kent 0892 510033

	Bid Price	Offer Price	+ or -	Yield Gross
Deposit Acc Fd.	121.9	128.4	+0.1	-
Equity Acc Fd	301.4	317.3	-0.6	-
Managed Acc Fd.	267.8	281.9	+1.7	-
Prop Fd (1st issue)	-	555.4	+11.4	-
Prop Acc Fd (2nd ser)	171.7	180.7	+0.1	-
Unit Trust Mn. Fd.	105.5	111.0	+0.3	-
RL Pension Funds				
Deposit Acc	156.9	165.2	+0.4	-
Equity Acc	224.0	235.8	+2.0	-
Fixed Int Acc	156.5	164.7	-0.5	-

University Medical General Ltd.
29 St George St, Bristol BS1 5QT 0272 276954

	Bid Price	Offer Price	+ or -	Yield Gross
TMI Fd No. 1 (Standard)	107.2	112.8	+0.1	-

J. D. Ward Financial Services Ltd
9 Kingsway, London, WC2 B6XF 01-836 4321

	Bid Price	Offer Price	+ or -	Yield Gross
Target Mngd Bond	199.5	209.7	-0.2	-
Target Mngd Pension	117.7	123.9	-0.3	-
Albany Life Acc	168.7	177.7	+0.1	-
Albany Pens Acc	207.0	217.8	+0.3	-

Yorkshire & Lancashire Investment Mgt.
Weston Twr, West Bar Green, Sheffield 0742 754685

	Bid Price	Offer Price	+ or -	Yield Gross
High Inc Bd (Pr Cap)	105.1		-----	-
Growth & Income (2 H)	162.0	170.6	-----	-
Global Oil M Sctr	159.5	167.8	-----	-
Managed (Target)	95.2	100.3	-----	-
Ultra Global H	144.6	152.3	-----	-
Pension Fund (Roy H)	121.1	127.5	-----	-

MANAGEMENT SERVICES

OFFSHORE AND OVERSEAS

GUERNSEY (SIB RECOGNISED)

Grofund Invest Managers (Guernsey) Ltd
PO Box 86, Guernsey CI 0481 26521

Guinness Flight Fd Mngrs (Guernsey) Ltd
PO Box 250, St Peter Port, Guernsey 0481 712176

Royal Bank of Canada Funds—Contd.
RBC Intl Currencies Fd Ltd

	Init Chrge	Canc Price	Bid Price	Offer Price	+ or -	Yield Grs
US$			$—	31.47	+0.02	-
Canadian $			C$—	41.17	+0.04	-
£ Sterling			£—	17.71	+0.01	-
D-Mark			DM—	62.60	+0.02	-
Swiss Francs			SFr—	47.06	+0.02	-
Japanese Yen			Y—	7736	+0	-
Managed Fund			$—	38.29	+0.02	-

Latest RBC Fund Prices: 24hr service 0481 710598

JERSEY (SIB RECOGNISED)

IoM (SIB RECOGNISED)

LUXEMBOURG (SIB RECOGNISED)

SWITZERLAND (SIB RECOGNISED)

BERMUDA AUTHORISED

GUERNSEY (**)

JERSEY (**)

John Govett Mngmnt International Ltd

	Bid Price	Offer Price	+ or -	Yield Gross
Govett Int'l Mngd.	$0.865	0.935	-	-
Govett High Inc Gilt	£0.3878	0.4125	-0.0005	12.61
Govett Far East Inv.	$0.921	0.985	+0.003	-
Energy & Resources	$0.642	0.686	-	-

Hambros Fd Mgrs (CI) Ltd

	Bid Price	Offer Price	+ or -	Yield Gross
Special Sits	336.2	353.9	+0.5	9.65
European Growth	DM9.50	9.98	+0.19	-
American Growth	$6.43	6.77	-	-
UK Growth Fd	81.7	87.1	-	2.07
Intl Equity	$46.82	49.29	-	0.78
Amer Spec Sits	$1.28	1.35	-	-
Sterling Income Fund	110.2	114.8	-1.2	4.38

حلقا صد الأصل

FT UNIT TRUST INFORMATION SERVICE

LONDON SHARE SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
99⅞	99¼	Treas 9½pc Cnv 1989	99[illegible]	.....	9.51	12.75
99¾	97⅞	Treas 3pc 1989	99[illegible]	.....	3.[illegible]	9.86
99¾	99⅛	Treas 10½pc 1989	99[illegible]	+[illegible]	10.[illegible]	12.45
99[illegible]	98[illegible]	Exch 10pc 1989	99[illegible]	+[illegible]	10.[illegible]	12.09
99¾	99¼	Exch 11pc 1989	99[illegible]	+[illegible]	11.[illegible]	12.14
97[illegible]	95⅝	Treas 5pc 1986–89	97[illegible]	[illegible]	5.[illegible]	10.39
99½	99¼	Exch 10¼pcCv '89	99[illegible]		10.[illegible]	11.12
101[illegible]	100[illegible]	Treas 13pc 1990‡‡	100[illegible]		12.[illegible]	11.82
99[illegible]	99	Exch 11pc 1990‡‡	99[illegible]		11.[illegible]	11.86
101⅞	100⅜	Exch. 12½pc 1990	100[illegible]		12.[illegible]	11.55
93⅝	91⅜	Treas 3pc 1990	93[illegible]		3.[illegible]	9.71
96[illegible]	95⅝	Treas 8¼pc 1987–90‡‡	96[illegible]		8.[illegible]	11.79
98[illegible]	96[illegible]	Treas. 8pc Cv 1990 ‡‡	96[illegible]		8.[illegible]	10.81
98[illegible]	97[illegible]	Treas. 10pcCv 1990	97[illegible]	+[illegible]	10.22	11.53
90	87[illegible]	Exch 2½pc 1990	89⅝	–[illegible]	2.79	9.44
101[illegible]	108[illegible]	Treas 11¾pc 1991	100[illegible]	+[illegible]	11.69	11.43
91¼	89⅞	Funding 5¾pc '87–91‡‡	91[illegible]xd	–[illegible]	6.28	10.54
88½	86⅛	Treas. 3pc 1991	87[illegible]		3.42	9.53
100[illegible]	98	Treas 10pc Cv '91 ‡‡	98	–[illegible]	10.21	11.07
101[illegible]	99[illegible]	Exch. 11pc 1991	99[illegible]	+[illegible]	11.04	11.17
94¼	92[illegible]	Treas. 8pc 1991	92[illegible]	+[illegible]	8.61	11.11
106¼	104[illegible]	Treas 12¾pc 1992‡‡	104[illegible]		12.21	10.87
99½	97⅜	Treas 10pc 1992	97[illegible]	+[illegible]	10.23	10.93
94[illegible]	91[illegible]	Treas. 8pc 1992 ‡‡	92[illegible]	–[illegible]	8.64	10.92
100[illegible]	98[illegible]	Treas 10½pc Cv 1992‡‡	99[illegible]xd	–[illegible]	10.60	10.88
85¾	82¾	Treas. 3pc 1992	83¾	–[illegible]	3.58	8.96
103[illegible]	103[illegible]	Exch. 12¼pc '92	103[illegible]	–[illegible]	11.[illegible]	10.88
109¼	107[illegible]	Exch 13½pc 1992	107½	–[illegible]	12.[illegible]	10.82
94¾	92	Treas 8¼pc 1993	92[illegible]		8.9[illegible]	10.69
100[illegible]	97[illegible]	Treas 10pc 1993‡‡	98[illegible]xd		10.[illegible]	10.54
108[illegible]	106[illegible]	Treas 12½pc 1993‡‡	106[illegible]	–[illegible]	11.7[illegible]	10.60
87¼	85½	Funding 6pc 1993‡‡	86[illegible]		6.9[illegible]	9.78
113¾	111[illegible]	Treas 13¼pc 1993‡‡	111[illegible]	–[illegible]	[illegible]	10.57
94¾	91[illegible]	Treas. 8½pc 1994	92⅝	+[illegible]	9.[illegible]	10.55
117[illegible]	114[illegible]	Treas 14½pc 1994‡‡	115[illegible]	–[illegible]	12.[illegible]	10.41

Five to Fifteen Years

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
113[illegible]	110[illegible]	Exch 13½pc 1994	111[illegible]xd	–[illegible]	12.14	10.59
100⅝	97⅞	Treas. 10pc Ln. 1994‡‡	98[illegible]	–[illegible]	10.16	10.38
110¼	107[illegible]	Exch. 12½pc 1994	107[illegible]	–[illegible]	11.59	10.56
96[illegible]	93[illegible]	Treas 9pc 1994‡‡	94[illegible]	–[illegible]	9.54	10.33
108[illegible]	105[illegible]	Treas 12pc 1995	106[illegible]	–[illegible]	11.30	10.54
79⅞	76¼	Exch 3pc Gas 90–95	76½xd	–[illegible]	3.92	7.95
101[illegible]	98[illegible]	Exch. 10¼pc 1995	99[illegible]	–[illegible]	10.33	10.42
113[illegible]	110[illegible]	Treas 12¾pc 1995‡‡	111[illegible]	–[illegible]	11.47	10.38
119[illegible]	115[illegible]	Treas. 14pc '96	116[illegible]	–[illegible]	12.00	10.30
97½	93[illegible]	Treas. 9pc 1992–96‡‡	95[illegible]	–[illegible]	9.45	9.97
126[illegible]	122[illegible]	Treas 15¼pc 1996‡‡	123½xd	–[illegible]	12.34	10.44
117[illegible]	113[illegible]	Exch 13¼pc 1996‡‡	113[illegible]	–[illegible]	11.62	10.40
101[illegible]	97[illegible]	Conversion 10pc 1996	98[illegible]	+[illegible]	10.16	10.29
118[illegible]	114[illegible]	Treas 13¼pc 1997‡‡	115[illegible]	–[illegible]	11.51	10.36
104[illegible]	100[illegible]	Exch 10½pc 1997	101[illegible]	+[illegible]	10.37	10.26
95[illegible]	91[illegible]	Treas 8¾pc 1997‡‡	92[illegible]	+[illegible]	9.46	10.07
128[illegible]	124[illegible]	Exch 15pc 1997	125[illegible]xd	–[illegible]	11.99	10.49
100[illegible]	96[illegible]	Exch. 9¾pc 1998	97[illegible]	+[illegible]	9.98	10.15
84[illegible]	81[illegible]	Treas 6¾pc 1995–98‡‡	82[illegible]xd	–[illegible]	8.22	9.76
134[illegible]	129[illegible]	Treas. 15½pc '98‡‡	130[illegible]	–[illegible]	11.85	10.32
113[illegible]	109[illegible]	Exch. 12pc 1998	110[illegible]	+[illegible]	10.85	10.24
100[illegible]	96[illegible]	Treas 9½pc 1999‡‡	97[illegible]	+[illegible]	9.75	9.90
115[illegible]	111[illegible]	Exch. 12¼pc 1999	112[illegible]	+[illegible]	10.88	10.20
105[illegible]	101[illegible]	Treas. 10½pc 1999	102[illegible]	.....	10.25	10.11
104[illegible]	99[illegible]	Conversion 10¼pc 1999	101	+[illegible]	10.15	10.09
94[illegible]	90[illegible]	Treas. 8½pc Ln 2000‡‡	91[illegible]	.....	9.32	9.83
97[illegible]	93[illegible]	Conversion 9pc 2000‡‡	94[illegible]	.....	9.54	9.85
122[illegible]	117[illegible]	Treas. 13pc 2000	118[illegible]	.....	10.98	10.21
103[illegible]	99[illegible]	Treas 10pc 2001	100[illegible]	–[illegible]	9.93	9.90
124[illegible]	120[illegible]	Treas. 14pc '98–01	120[illegible]	–[illegible]	11.59	10.41
102[illegible]	97[illegible]	Conversion 9¾pc 2001	99	–[illegible]	9.83	9.86
113[illegible]	109[illegible]	Exch. 12pc '99–02	110[illegible]	–[illegible]	10.86	10.26
104[illegible]	100[illegible]	Conversion 10pc 2002	101[illegible]xd	–[illegible]	9.85	9.78
102[illegible]	98[illegible]	Treas 9¾pc 2002	99[illegible]	–[illegible]	9.79	9.75
97[illegible]	93[illegible]	Exch. 9pc 2002	94[illegible]	–[illegible]	9.48	9.67
126[illegible]	122[illegible]	Treas. 13¾pc 2000–03	123[illegible]	–[illegible]	11.16	10.23
105[illegible]	101[illegible]	Treas 10pc 2003	102[illegible]	–[illegible]	9.74	9.65
113[illegible]	108[illegible]	Treas. 11½pc 2001–04	109[illegible]	–[illegible]	10.45	10.02

Over Fifteen Years

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
106[illegible]	102[illegible]	Treas. 10pc 2004	103[illegible]	–[illegible]	9.6[illegible]	9.57
59[illegible]	57[illegible]	Funding 3½pc '99–04	58[illegible]	–[illegible]	5.[illegible]	8.35
102[illegible]	98[illegible]	Conversion 9½pc 2004	100xd	–[illegible]	9.[illegible]	9.49
103[illegible]	98[illegible]	Conversion 9½pc 2005	100[illegible]xd	–[illegible]	9.[illegible]	9.47
111[illegible]	107[illegible]	Exch. 10½pc 2005	108[illegible]	–[illegible]	9.[illegible]	9.45
125[illegible]	120[illegible]	Treas. 12½pc 2003–05	121[illegible]	–[illegible]	10.[illegible]	9.71
90[illegible]	86[illegible]	Treas. 8pc 2002–06‡‡	88[illegible]xd	–[illegible]	9.[illegible]	9.39
105[illegible]	101[illegible]	Conversion 9¾pc 2006	102[illegible]	–[illegible]	9.[illegible]	9.23
118[illegible]	114[illegible]	Treas. 11¾pc 2003–07	116[illegible]	–[illegible]	10.[illegible]	9.69
96[illegible]	92[illegible]	Treas 8½pc 2007 ‡‡	93[illegible]	+[illegible]	9.[illegible]	9.23
134[illegible]	129[illegible]	Treas. 13½pc '04–08	130[illegible]	–[illegible]	10.[illegible]	9.63
101[illegible]	96[illegible]	Treas. 9pc 2008 ‡‡	98[illegible]xd	.....	9.[illegible]	9.18
92[illegible]	88[illegible]	Treas 8pc 2009	89[illegible]	–[illegible]	8.[illegible]	9.13
102[illegible]	98[illegible]	Conv 9pc Ln 2011 ‡‡	99[illegible]	–[illegible]	9.[illegible]	9.07
68[illegible]	66[illegible]	Treas. 5½pc 2008–12‡‡	66[illegible]	–[illegible]	[illegible]	8.93
89[illegible]	86[illegible]	Treas. 7¾pc 2012–15‡‡	87[illegible]	–[illegible]	[illegible]	9.02
132[illegible]	127[illegible]	Exch. 12pc '13–'17	128½	–[illegible]	9.[illegible]	9.08

BRITISH FUNDS—Contd

Undated

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
45⅝	43[illegible]	Consols 4pc	44[illegible]	–[illegible]	9.05	–
40[illegible]	38[illegible]	War Loan 3½pc‡‡	39[illegible]	–[illegible]	8.93	–
70[illegible]	60[illegible]	Conv. 3½pc '61 Aft.	67½	–[illegible]	5.19	–
41[illegible]	31[illegible]	Treas. 3pc '66 Aft.	37[illegible]	–[illegible]	8.00	–
30[illegible]	27[illegible]	Consols 2½pc	28[illegible]xd	–[illegible]	8.87	–
29½	27¼	Treas. 2½pc	27[illegible]xd	.....	8.99	–

Index-Linked

1989 High	Low	Stock (b)	Price £	+ or –	(1)	(2)
127¾	124	Treas 2pc IL '90(84.6)	127[illegible]	.....	[illegible]	3.15
106[illegible]	103[illegible]	Do. 2pc '92‡‡(97.8)	104[illegible]	.....	[illegible]	3.57
99[illegible]	94[illegible]	Do. 2'94 (102.9)	90[illegible]	.....	[illegible]	3.45
145[illegible]	139[illegible]	Do 2pc '96(67.9)	144[illegible]	.....	[illegible]	3.49
124[illegible]	118[illegible]	Do 2½pc '01(78.3)	124[illegible]	–[illegible]	[illegible]	3.56
122[illegible]	115[illegible]	Do. 2½pc '03(78.8)	121[illegible]	.....	[illegible]	3.57
125[illegible]	117[illegible]	Do 2pc '06(69.5)	125[illegible]	.....	[illegible]	3.56
117[illegible]	110[illegible]	Do. 2½pc '09(78.8)	117[illegible]	.....	[illegible]	3.56
123[illegible]	114[illegible]	Do. 2½pc '11(74.6)	122[illegible]	.....	[illegible]	3.55
102[illegible]	95[illegible]	Do. 2½pc '13(89.2)	101[illegible]	.....	[illegible]	3.53
110[illegible]	101[illegible]	Do. 2½pc '16(81.6)	110[illegible]	.....	[illegible]	3.49
108[illegible]	100[illegible]	Do. 2½pc '20(83.0)	107[illegible]xd	.....	[illegible]	3.44
91[illegible]	84[illegible]	Do. 2½pc '24‡‡(97.7)	90[illegible]	.....	[illegible]	3.40

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%. (b) Figures in parentheses show RPI base month for indexing, (ie 8 months prior to issue) and have been adjusted to reflect rebasing of RPI to 100 in January 1987. Conversion factor 3.945. RPI for July 1988:106.7 and for February 1989:111.8

INT. BANK AND O'SEAS

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
108[illegible]	103[illegible]	African Dv Bk 11¼Ln 2010	105[illegible]	–[illegible]	10.58	10.50
104[illegible]	99[illegible]	Asian Dev Bk 10¼pcLn2009	101[illegible]	–[illegible]	10.10	10.07
130[illegible]	124[illegible]	Australia 13½pc 2010	125[illegible]xd	–[illegible]	10.72	10.44
113[illegible]	108[illegible]	Do. 11½pcLn2015	109[illegible]	–[illegible]	10.43	10.35
108[illegible]	103[illegible]	Euro Inv Bk 11pc Ln 2002	105	–[illegible]	10.48	10.30
104[illegible]	99[illegible]	Do. 10¼pc2004	101[illegible]	–[illegible]	10.27	10.24
118[illegible]	113[illegible]	Int–Am Dev Bk 12½pc 2003	114[illegible]	–[illegible]	10.89	10.44
99[illegible]	95[illegible]	Do. 9½pcLn 2015	93[illegible]	–[illegible]	10.18	10.21
97½	94[illegible]	Mlysia 10¼pcLn 2009	96½xd	.....	11.19	11.19
120	118	Ist. Mexican States 16½pc 2008	118	.....	13.98	13.80

CORPORATION LOANS

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
102	100	Birmingham 13½pc 1989	100½	.....	13.43	11.20
111½	102½	Do. 11½pc 2012	106½	.....	10.80	10.70
91	87½	GLC 6¾pc 1990–92	89½xd	.....	7.54	10.85
124½	14[illegible]	Leeds 13½pc 2006	124½xd	.....	10.84	10.45
33	30	Liverpool 3½pc Irred	32xd	.....	10.94	–
94½	92	LCC 6¾pc '88–90	93½xd	.....	7.22	11.90
30	28	Do. 3pc '20 Aft.	30xd	.....	10.00	–
106½	104½	Manchester 11½pc2007	106½xd	.....	11.00	10.90

COMMONWEALTH & AFRICAN LOANS

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
89½	86½	NZ 7¼pc 1988–92	88½	.....	0.19	11.50
206	206	S Rhod 2½pc Non–Asstd	206	.....	–	–
84½	84½	Do. 4½pc 87–92 Asstd	84½xd	.....	5.33	9.33

LOANS

Building Societies

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
99¾	98[illegible]	N'wide Anglia 9[illegible]pc 17.4.89	99[illegible]	.....	9.21	12.81
99[illegible]	98[illegible]	Do. 9½pc 8.5.89	99½	.....	9.55	13.27
99[illegible]	98[illegible]	Do. 8[illegible]pc 30.5.89	99[illegible]	.....	9.01	13.32
99[illegible]	98[illegible]	Do. 9[illegible]pc 26.6.89	99[illegible]	.....	9.91	13.23
99[illegible]	98[illegible]	Do. 10[illegible]pc 17.7.89	99[illegible]	.....	10.78	13.20
99[illegible]	98[illegible]	Do. 11[illegible]pc 7.8.89	99[illegible]xd	.....	11.15	13.16
99[illegible]	98[illegible]	Do. 11[illegible]pc 29.8.89	99[illegible]	.....	11.64	13.14
99[illegible]	99[illegible]	Do. 12[illegible]pc 18.9.89	99[illegible]	.....	12.43	13.17
99[illegible]	99[illegible]	Do. 12[illegible]pc 2.10.89	99[illegible]	.....	12.37	13.18
99[illegible]	96[illegible]	Do. 11[illegible]pc 6.11.89	99[illegible]	.....	11.92	13.26
100	99[illegible]	Do. 12[illegible]pc 4.12.89	99[illegible]	.....	12.40	13.28
100[illegible]	99[illegible]	Do. 12[illegible]pc 2.1.90	99[illegible]	.....	12.86	13.24
100[illegible]	99[illegible]	Do. 12[illegible]pc 29.1.90	99[illegible]	.....	12.64	13.25
102[illegible]	99[illegible]	Do. 3[illegible]pcIL Ln 2021	100[illegible]xd	.....	4.39	4.45

Public Board and Ind.

1989 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
97	95	Agric. Mt. 5pc '59–89	97	.....	5.15	3.26
47	45	Met. Wtr. 3pc 'B'	47xd	.....	6.38	10.50

FOREIGN BONDS & RAILS

1989 High	Low	Stock	Price £	+ or –	Div % Gross	Red. Yield
45	40	Greek 7pc Ass.	40	.....	3.50	f8.75
45	40	Do. 6pc 28 Stb. Ass.	40xd	.....	3	f7.50
45	40	Do 4pc Mixed Ass.	40	.....	2	f5.00
80	65	Hung. '24 Ass.	80	.....	2.75	13.57
139[illegible]	134[illegible]	Hydro Quebec 15pc 2011	135[illegible]	–[illegible]	15.00	10.79
128[illegible]	123[illegible]	Iceland 14½pc Ln 2016	124[illegible]xd	–[illegible]	14.50	11.47
97¼	94½	Ireland 9¾pc '91–96	95[illegible]xd	.....	9.75	10.60

AMERICANS

1989 High	Low	Stock	Price £	+ or –	Div Gross	C'vr	Y'ld Gr's
32[illegible]	26[illegible]	Abbott Laboratories‡	32[illegible]xd	+[illegible]	$1.20	–	2.2
537p	361p	♦Allegheny & W 1c	474p	..	33c	–	3.7
15[illegible]	12[illegible]	Amax $1	14[illegible]	+[illegible]	40c	–	1.7
11[illegible]	976p	Amdahl 5c	934p	–22½	+10c	–	0.6
31[illegible]	25½	Amer. Cyanamid $5	38[illegible]	+[illegible]	$1.20	–	2.3
18[illegible]	14[illegible]	Amer. Express 60c	18[illegible]xd	–[illegible]	84c	–	2.6
12[illegible]	854p	Amer. Medical Int. $1	12[illegible]	–[illegible]	47.2c	–	3.4
19	15[illegible]	American T. & T. $1	18[illegible]	–[illegible]	$1.20	–	3.8
30[illegible]	26[illegible]	Ameritech $1	30[illegible]xd	+[illegible]	h$2.92	–	5.7
14[illegible]	9[illegible]	BankAmerica $1[illegible]	14[illegible]	+[illegible]	60c	–	2.4
24[illegible]	19[illegible]	Bankers N.Y. $1	24[illegible]xd	+[illegible]	$2.02	–	4.9
45	38[illegible]	Bell Atlantic $1	45	+[illegible]	$4.00	–	5.3
25[illegible]	19[illegible]	BellSouth Corp.	25[illegible]	+[illegible]	$2.36	–	5.5
15[illegible]	12[illegible]	♦Bethlehem Steel $8	13[illegible]xd	–[illegible]	–	–	–
11[illegible]	929p	♦Bio–Rad Labs. A	11[illegible]	+[illegible]	–	–	–
17[illegible]	15[illegible]	Bowater Inc	17	..	$1.12	–	3.8
12	9[illegible]	Brunswick 75c	12[illegible]	+[illegible]	44c	–	2.1
32[illegible]	28[illegible]	CPC Intnl. 25c	32	–[illegible]	$1.60	–	3.0
19[illegible]	17[illegible]	CSX $1	18[illegible]		$1.24	–	4.0
798p	333p	California Engy	522p	–11	–	–	–
19[illegible]	17[illegible]	Campbell Soup 15c	19[illegible]	+[illegible]	92c	–	2.7
21[illegible]	15[illegible]	Chase Manhattan $12½	21[illegible]	+[illegible]	$2.36	–	6.3
20[illegible]	17	Chem. Banking Corpn	20[illegible]	+1	$2.72	–	7.6
16[illegible]	14[illegible]	Chrysler $6¼	14[illegible]xd		$1.20	–	4.3
17[illegible]	14[illegible]	Citicorp $1	17[illegible]xd	+[illegible]	$1.45	–	5.0
230p	169p	CityFed Fin Corp	192p	–7	4c	–	1.2
28[illegible]	25[illegible]	Colgate–Palmolive $1	28[illegible]xd	+[illegible]	$1.48	–	3.1
21[illegible]	16[illegible]	Cons Freightwys 62½c	17[illegible]	–[illegible]	93c	–	3.2
12[illegible]	10[illegible]	Cont'l Bank Corp $4	12[illegible]	+[illegible]	8c	–	0.4
388p	326p	♦Corporate Data Scnce	326p	..	–	–	–
386p	278p	Cullinet Sftwr 1c	289p	–7	–	–	–
22[illegible]	21[illegible]	Dana Corp $1	22[illegible]	–[illegible]	$1.60	–	4.2
10[illegible]	881p	Data General	881p	–29	–	–	–
32[illegible]	28[illegible]	Dun & Bradstreet $1	29[illegible]	–[illegible]	$1.74	–	3.4
34[illegible]	30[illegible]	Eaton Corpn 50c	33[illegible]xd		[illegible]$2.00	–	3.5
10	8[illegible]	Echlin Inc.	9[illegible]		70c	–	4.2
18[illegible]	16[illegible]	FPL Group 1c	17[illegible]xd		$2.20	–	7.3
32[illegible]	27[illegible]	Ford Motor $1	23[illegible]	+[illegible]	$3.00	–	6.1
33[illegible]	30[illegible]	GATX 62½c	33[illegible]	+[illegible]	$2.00	–	3.5
27[illegible]	24[illegible]	Gen. Elect. 63c	26[illegible]xd	–[illegible]	$1.64	–	3.6
567p	484p	♦General Host Corp $1	525p	..	28c	–	3.1
21[illegible]	18[illegible]	Gillette $1	21[illegible]	+[illegible]	96c	–	2.6
769p	616p	Gt Am First Svgs Bk $1	688p		60c	–	5.1
17[illegible]	16[illegible]	Greyhound $1½	17[illegible]	+[illegible]	$1.32	–	4.4
11[illegible]	847p	Hasbro Inc 50c	10[illegible]	–[illegible]	16c	–	0.9
8[illegible]	6	Home Group $1	8[illegible]xd		20c	–	1.4
39[illegible]	32[illegible]	Honeywell $1½	38[illegible]	–[illegible]	$2.10	–	3.2
16[illegible]	15[illegible]	Houston Inds.‡	16[illegible]	+[illegible]	$2.96	–	10.7
74[illegible]	63[illegible]	IBM Corpn $1[illegible]	64[illegible]	–[illegible]	$4.40	–	4.0
52p	47p	♦Image Storage/R.Sys.1c	50p	+3	–	–	–
22[illegible]	19[illegible]	Ingersoll–Rand $2	21[illegible]xd	+[illegible]	$1.04	–	2.8
29[illegible]	22[illegible]	Lockheed Crpn. $1	27[illegible]xd	+[illegible]	$1.60	–	3.4
18[illegible]	15[illegible]	Lone Star Inds $1	17[illegible]xd		$1.90	–	6.3
20[illegible]	17[illegible]	Louisiana Land 15c	20[illegible]xd	–[illegible]	$1.00	–	2.9
14[illegible]	11[illegible]	Lowe's 50c	13[illegible]	..	48c	–	2.1
21	15[illegible]	Manuf. Hanover $1	21[illegible]	+[illegible]	$3.28	–	9.1
17[illegible]	13[illegible]	Merrill Lynch $1	16[illegible]	+[illegible]	$1.00	–	3.6
2263p	1954p	Molex Inc.	1998p	+3	3.2c	–	–
23[illegible]	18[illegible]	Morgan (JP) $2½	23[illegible]xd	+[illegible]	$1.65	–	4.2
41½	36[illegible]	NYNEX $1	41[illegible]	+[illegible]	$4.04	–	5.7
20[illegible]	18[illegible]	PHH Corp. ‡	19[illegible]	–[illegible]	$1.12	–	3.3
235p	220p	♦Pacific Agr ‡	229p	..	–	–	–
20[illegible]	19	Pacificorp $3[illegible]	20[illegible]	–[illegible]	$2.64	–	7.5
20[illegible]	16[illegible]	Pacific Telesis 10c	20[illegible]	+[illegible]	$1.76	–	5.0
17[illegible]	15[illegible]	Pall Corp 25c	16[illegible]	+[illegible]	48c	–	1.7
49½	39[illegible]	Pennzoil 83 1/3c	49[illegible]		$3.00	–	3.5
19[illegible]	17[illegible]	Premark Intl	19[illegible]	+[illegible]	60c	–	1.8
32[illegible]	28[illegible]	Quaker Oats $5	31xd	+[illegible]	$1.20	–	2.3
26[illegible]	23[illegible]	Rep NY Corpn $5	26[illegible]	+[illegible]	$1.20	–	2.7
13[illegible]	11[illegible]	Rockwell Intl $1	13xd	+[illegible]	72c	–	3.2
26[illegible]	21[illegible]	Southwestern Bell $1	26[illegible]	–[illegible]	$2.48	–	5.5
22[illegible]	17[illegible]	Sun Co. Inc $1	21[illegible]	..	$1.80	–	5.0
26[illegible]	22[illegible]	TRW Inc 62½c	26[illegible]	+[illegible]	$1.72	–	3.8
18[illegible]	14[illegible]	TW Services $5	18[illegible]	+[illegible]	10c	–	0.3
29[illegible]	26[illegible]	Tenneco $5	29[illegible]	+[illegible]	$3.04	–	6.0
31[illegible]	28	Texaco $6.25	31[illegible]xd	...	♦$3.00	–	5.6
25[illegible]	21[illegible]	Texas Instr $1	22[illegible]xd	+[illegible]	72c	–	1.8
69[illegible]	58[illegible]	Time Inc. $1	68[illegible]	–[illegible]	$1.00	–	0.9
17[illegible]	15[illegible]	TRINOVA Corp.	16[illegible]xd	+[illegible]	64c	–	2.3
19[illegible]	16	USX $1	19[illegible]	–[illegible]	$1.40	–	4.2
164p	126p	♦Unitab	152p	..	–	–	–
26[illegible]	22[illegible]	Utd Technologies	26[illegible]	+[illegible]	$1.60	–	3.5
158p	128p	♦Utilitech Inc.	135p	..	–	–	–
37[illegible]	31½	US West‡	37	...	$3.76	–	–
26[illegible]	22[illegible]	Waste Management $1	26[illegible]xd	+[illegible]	48c	–	1.1
16[illegible]	13½	Whirlpool $1	16[illegible]	+[illegible]	$1.10	–	3.9
19[illegible]	16[illegible]	Whitman Corp.	18½xd	–[illegible]	96c	–	3.0
31[illegible]	28[illegible]	♦Woolworth $3½	29[illegible]	–[illegible]	$1.64	–	3.2

Continued on next page

Taipei Fund
c/o Prudential-Bache Capital Funding (Equities) Ltd
NAV NT$2,052.80 IDR US$74.76 (Mar 31)

Taiwan (ROC) Fund
NAV Mar 31 NT$2,328.00 IDR Value US$84,932.51

Templeton Galbraith & Hansberger Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
Global Inc Mar 29	$10.15	10.81	----	–

The Thai–Euro Fund Ltd
Lloyds Bank Fund Mngrs (Guernsey) Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
NAV March 24	10.09		----	–

The Thai Prime Fund Limited

	Bid Price	Offer Price	+ or –	Yield Gross
NAV Mar 24	$9.98		----	–

The Thailand Fund
NAV Mar 31 Baht 500,563.41 IDR value US$19,595.36

The Thailand Growth Fund (1000)F
NAV Mar 17 US$ 9.94

The Thailand Intl Fund Ltd
Fidelity International Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
NAV March 24	$10.73		....	–

Thornton Investment Management Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
Kangaroo Fund	$11.03	11.5815	–0.08	–
Eastern Crusader	$7.23	7.5915	–0.01	–
European Opps Fund	$6.11	6.4155	+0.01	–
Global Access Fd	$10.12	10.6260	+0.07	–
Golden Opps Fund	$6.62	6.9510	+0.01	–
HK & China Gateway Fd	$13.12	13.776	–0.05	–
Intl Opps Fund	$1.96	2.06	....	–
Kabuto–Cho Fund	$10.50	11.025	+0.10	–
Little Dragons Fund	$16.22	17.031	–0.13	–
Pacific Technology Fd	$11.84	12.432	+0.06	–
Philippines Redevel Fd	$32.68	34.314	–0.01	–
Tiger Fund	$24.95	26.1975	–0.20	–
Japan Fund	$25.98	27.2475	+0.41	–
Oriental Inc Fund	$19.81	20.8005	+0.05	–
Pacific Inv Fd SA	$9.31	9.78	+0.03	–
Pacific Inv Fd Wrrnts	£4.31	–	....	–
Global Index Fund				
ASE 50 Lors Index	$13.56	–	–0.09	–
FTSE 100 Index	$10.00	–	–	–
Hang Seng Index	$14.17	–	–0.42	–
S & P 500 Index	$11.71	–	–0.17	–
Nikkei Stock Average	$10.49	–	+0.05	–

Three–Way Asset Allocation Funds

	Bid Price	Offer Price	+ or –	Yield Gross
TWAA Fund I*	$101.71	101.75	....	–
TWAA Fund II*	$100.49	100.53	....	–

* Prices at March 30

Touche Remnant (Guernsey) Limited
TR Worldwide Strategy Fund

	Bid Price	Offer Price	+ or –	Yield Gross
Nth American	£1.148	1.242	–	–
European	£1.094	1.186	+0.001	–
Far East	£0.957	1.034	–	–
Japan	£0.876	0.949	+0.013	–
UK Blue Chip	£1.102	1.192	+0.005	–
HK Special Opps	£0.752	0.805	–0.001	–
Multi–currency Bond	£1.079	1.104	+0.001	–

Transworld Bond Trust

	Bid Price	Offer Price	+ or –	Yield Gross
NAV Mar 31	$11.58		+0.02	–

Tyndall International (Bermuda) Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
American Special Sits	$39.56	41.55	+0.11	–
Commodity Mar 28	$36.58	38.41	+0.25	–
Eurobond	$27.44	28.82	–	–
Money	$31.76	33.36	+0.01	–
Mortgage Mar 17	C$12.59	13.21	....	–
North American	$31.36	32.94	–0.05	–
Overseas	$26.14	27.46	–0.12	–
Pacific Gold	$5.78	6.05	–0.04	–
Tiger	$36.74	38.77	–0.39	–

USA Income Portfolio

	Bid Price	Offer Price	+ or –	Yield Gross
NAV Mar 30	$10.06		+0.05	–

US Federal Securities Fund SA

	Bid Price	Offer Price	+ or –	Yield Gross
NAV Mar 30	$9.22		+0.01	–

US Pacific Stock Fund

	Bid Price	Offer Price	+ or –	Yield Gross
NAV Mar 29	$16.22		....	–

Unico Invest Fd Mgt Co SA Lux
London & Continental Bankers Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
Unico Invest. Fund	DM73.40	75.70	----	3.00
Unico Equity Fund	DM58.19	59.94	----	3.00

Union-Investment-Gesellschaft GmbH

	Bid Price	Offer Price	+ or –	Yield Gross
Unifonds	DM27.44	28.90	+0.10	–
Unirak	DM73.41	77.10	+0.25	–
Unirenta	DM37.96	39.10	–	–

Viking Fund–SICAV
♦NAV Mar 29 Ecu97.98

Warburg Inv Mngmt (Isle of Man) Ltd
Mercury 90:10 Trust (Sicav)

	Bid Price	Offer Price	+ or –	Yield Gross
Dollar Fd BOPUPs	$10.72	10.73	....	–
Dollar Fd OPUPs	$9.91	10.02	....	–
Sterling Fd BOPNPs	£10.94	10.95	....	–
Sterling Fd OPUPs	£10.64	10.76	....	–
DM Fd BOPUPs	DM10.31	10.32	....	–
DM Fd OPNPs	DM10.99	11.11	....	–
Yen Fd OOPNPs	$9.77	9.78	....	–
Yen Fd OPUPs	$9.00	9.91	....	–

Wardley Investment Services Ltd

	Bid Price	Offer Price	+ or –	Yield Gross
Wardley S.E. Asia Tst.	$9.04	9.59	....	1.36
Nikko Asia Pac Trust	$11.40	11.72	....	4.27

World Fund S.A.

	Bid Price	Offer Price	+ or –	Yield Gross
World Fund NAV Feb 16	$22.13		....	–

World Natural Resources

	Bid Price	Offer Price	+ or –	Yield Gross
NAV Mar 30	$10.06		+0.05	–

Yamaichi Dynamic Mngt Co SA

	Bid Price	Offer Price	+ or –	Yield Gross
Advanced Tech	$24.86		----	–
Dynamic Gwth Fd	$21.02		----	–

Money Market Trust Funds

Charities Aid Fndtn Money Mngmt Co Ltd
Staple Hall, Stone Ct, Houndsditch, EC3 01-283 6461

	Gross	Net	Gr Equiv CAR	Int Cr
CAFCASH Call Fund	12.33	9.46	13.07	3-mth
CAFCASH 7-day Fund	12.49	9.58	13.25	3-mth

The Charities Deposit Fund
2 Fore Street, London EC2Y 5AQ 01-588 1815

	Gross	Net	Gr Equiv CAR	Int Cr
Deposit	12.45	–	17.04	3-Mth

Gartmore Money Management Ltd
2-3 White Hart Yard, London SE1R 1NX. 01-236 1425

	Gross	Net	Gr Equiv CAR	Int Cr
Call Fnd	12.81	9.83	13.43	6-Mth
7-day Fund	12.76	9.78	13.36	6-Mth
Special Fund	12.61	–	17.36	Mth
Dollar	8.62	6.62	9.05	3-Mth

Money Market Bank Accounts

AAB–Allied Arab Bank Ltd
97-101 Cannon St, London, EC4N 5AD 01-629 6802

	Gross	Net	Gr Equiv CAR	Int Cr
OMNA (£2,001+)	13.10	10.05	14.04	Mnth
HICA (£2,001+)	12.50	9.59	13.37	Mth

Aitken Hume
30 City Road, EC1Y 2AY. 01-638 6070

	Gross	Net	Gr Equiv CAR	Int Cr
Treasury Acc.	12.00	9.21	12.71	Qtr
Mth Inc Chq £1000-£5000	11.75	9.02	12.54	Mth
Mth Int. Chq £5 000+	12.00	9.21	12.81	Mth

Bank of Ireland High Interest Cheque Acc
36 Queen St. EC4R 1BN. 01-329 4500

	Gross	Net	Gr Equiv CAR	Int Cr
2,000–9,999	11.726	9.000	12.411	Qtr
£10,000+	12.052	9.250	12.768	Qtr

Bank of Scotland
38 Threadneedle St, EC2P 2EH. 01 601 6746

	Gross	Net	Gr Equiv CAR	Int Cr
Money Mkt Cheque Acc.	11.65	8.94	12.42	Mth

Barclays Prime Account
PO Box 125, Northampton 0604 252891

	Gross	Net	Gr Equiv CAR	Int Cr
H.I.C.A. £1,000–£2,499	11.00	8.30	11.42	Qtr
£2,500+	11.50	8.60	11.84	Qtr

Benchmark Bank PLC Premier Account
9 Henrietta Place, W1M 9AG 01-631 3313

	Gross	Net	Gr Equiv CAR	Int Cr
Small Deposits	0.75	–	–	–
£2 500–£10 000	11.75	9.02	12.44	Qtr
£10,001–£20,000	12.00	9.21	12.71	Qtr
£20,000+	12.50	9.59	13.25	Qtr

Brown Shipley & Co Ltd
Founders Court, Lothbury, London EC2 01-606 9831

	Gross	Net	Gr Equiv CAR	Int Cr
Demand Acc.	11.75	9.02	12.44	Qtr

Charterhouse Bank Limited
1 Paternoster Row, EC4M 7DH. 01-248 4000

	Gross	Net	Gr Equiv CAR	Int Cr
Sterling	13.50	8.83	12.26	Mth
U.S. Dollar	8.50	6.52	8.96	Mth
German Marks	5.00	3.84	5.21	Mth
Swiss Francs	4.25	3.26	4.42	Mth
Japanese Yen	3.50	2.69	3.63	Mth

Citibank Savings
St Martins Hse, Hammersmith Grove W6 01-741 4941
Money Market Plus

	Gross	Net	Gr Equiv CAR	Int Cr
£2,000–£24,999	9.75	8.00	11.07	Mth
£25,000	10.25	8.50	11.79	Mth

Clydesdale Bank PLC
30 St Vincent Place, Glasgow G1 2HL 041 248 7070

	Gross	Net	Gr Equiv CAR	Int Cr
HICA £2,000–£9,999	11.0	8.50	11.70	Qtr
£10,000–£19,999	11.20	8.60	11.84	Qtr
£20,000–£49,999	11.40	8.75	12.06	Qtr
£50,000+	11.80	9.00	12.41	Qtr

Co-operative Bank Top Tier
78-80 Cornhill EC3 01-626 6543

	Gross	Net	Gr Equiv CAR	Int Cr
£1,000–£2,499	9.78	7.50	10.20	Qtr
£2,500–£9,999	11.06	8.50	11.56	Qtr
£10,000+	11.72	9.00	12.26	Qtr

Darlington & Co Ltd
9 The Crescent, Plymouth PL1 3AB 0752 673873

	Gross	Net	Gr Equiv CAR	Int Cr
Money Mkt Acc.	11.75	9.02	12.45	Qtr

Financial & General Bank plc
17 Lowndes Street, London, SW1X 9EX 01-235 0036

	Gross	Net	Gr Equiv CAR	Int Cr
H.I.D.A. £5,000–£15,000	12.00	9.21	12.80	Qtr
H.I.D.A. £15,000+	12.25	9.40	12.97	Qtr

Gartmore Money Management Ltd
2-3 White Hart Yard, London SE1 1NX 01-236 1425

	Gross	Net	Gr Equiv CAR	Int Cr
Money Mngt. Acct.	12.125	9.39	12.96	3 Mth

Girobank plc High Interest Cheque Acc
10 Milk St., London EC2V 8JH 01 600 6020

	Gross	Net	Gr Equiv CAR	Int Cr
£1,000–£3,999	9.20	8.20	10.93	Yearly
£4,000–£9,999	9.65	8.50	11.33	Yearly
£10,000+	10.50	9.10	12.13	Yearly

Grofund Inv Mngrs/Allied Irish Bank
High Interest Cheque Account
51, Belmont Road, Uxbridge UB8 1RZ 0895 59763

	Gross	Net	Gr Equiv CAR	Int Cr
£1,500+	12.30	9.44	13.05	Qtr

Humberclyde Finance Group
Challey Ct. Winchester Rd, Basingstoke 0256 841563

	Gross	Net	Gr Equiv CAR	Int Cr
£500–£2,499	11.0	8.44	11.52	Qtr
£2,500–£9,999	11.5	8.82	12.06	Qtr
£10,000–£49,999	12.0	9.21	12.59	Qtr
£50,000+	13.0	9.97	13.66	Qtr

Lloyds Bank High Interest Cheque Account
71 Lombard St, London EC3P 3BS 01-407 1000

	Gross	Net	Gr Equiv CAR	Int Cr
£1,000+	9.90	7.60	10.50	Mth
£5,000+	10.48	8.0	11.10	Mth
£10,000+	10.90	8.40	11.60	Mth
£50,000+	11.40	8.80	12.20	Mth

M & G/Kleinwort Benson
M & G Hse, Victoria Rd, Chelmsford 0245 266266

	Gross	Net	Gr Equiv CAR	Int Cr
H.I.C.A. (£2,500+)	11.50	8.83	12.26	Daily

Midland Bank plc
PO Box 2, Sheffield. 0742 528655

	Gross	Net	Gr Equiv CAR	Int Cr
High Int Chq Acc.	11.07	8.50	11.70	Qtr
£10,000+	11.40	8.75	12.06	Qtr
£50,000+	11.73	9.00	12.41	Qtr
Premier Savings £5,000+	12.38	9.50	12.97	6-mth

M.I.M. Britannia Ltd
11 Devonshire Square EC2M 4YR 01-626 3434

	Gross	Net	Gr Equiv CAR	Int Cr
Cater Allen	11.50	8.8263	12.2563	Mth

NatWest Special Reserve Account
41 Lothbury, London, EC2P 2BP 01-374 3374

	Gross	Net	Gr Equiv CAR	Int Cr
£10,000 and above	11.75	9.00	12.41	Qtr
£2,000 to £9,999	11.25	8.50	11.69	Qtr
£1,000–£1,999	10.75	8.25	11.35	Qtr
£500–£999	10.50	8.00	10.99	Qtr

Provincial Bank PLC
30 Ashley Rd, Altrincham, Cheshire 061-928 9011

	Gross	Net	Gr Equiv CAR	Int Cr
H.I.C.A. (£1,000+)	12.50	9.60	13.34	Mth

Royal Bank of Scotland plc Premium Acc
42 St Andrew Sq, Edinburgh EH2 2YE. 031-557 0201

	Gross	Net	Gr Equiv CAR	Int Cr
£50,000+	12.00	9.21	12.71	Qtr
£25,000–£49,999	11.80	9.05	12.49	Qtr
£10,000–£24,999	11.60	8.90	12.27	Qtr
£2,500–£9,999	11.25	8.63	11.89	Qtr

Save & Prosper/Robert Fleming
28 Western Rd, Romford RM1 3LB. 0708 766966

	Gross	Net	Gr Equiv CAR	Int Cr
H.I.B.A.	11.40	8.92	12.19	Daily

Tyndall & Co Ltd
29-33 Princess Victoria St, Bristol 0272 732241

	Gross	Net	Gr Equiv CAR	Int Cr
Demand Acc.	12.00	9.21	12.71	Qtr
Money Acc.	11.89	9.12	12.58	Qtr
Client Plus Acc.	11.50	8.82	12.16	Qtr

J. Henry Schroder Wagg & Co Ltd
Enterprise House, Portsmouth 0705 827733

	Gross	Net	Gr Equiv CAR	Int Cr
Special Acc.	11.875	9.11	12.67	Mthly
£10,000 and above	12.125	9.31	12.93	Mthly

Western Trust High Interest Cheque Acc
The Moneycentre, Plymouth PL1 1SE 0752 224141

	Gross	Net	Gr Equiv CAR	Int Cr
£1,000–£4,999	12.00	9.21	12.70	Qtr
£5,000–£9,999	12.25	9.40	12.97	Qtr
£10,000–£49,999	12.50	9.59	13.25	Qtr
£50,000+	12.75	9.70	17.53	Qtr

Wimbledon & South West Finance Co Ltd
114 Newgate St, London EC1 7AE 01-606 9485

	Gross	Net	Gr Equiv CAR	Int Cr
High Int Cheque Acc.	12.50	9.59	13.25	Qtr.

NOTES—Gross rate to those exempt from composite rate of tax. Net actual rate after deduction of CRT. Gr Equiv CAR: Gross equivalent to basic rate taxpayers—compounded annual rate. Int Cr frequency interest credited

UNIT TRUST NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % allow for all buying expenses. Prices of certain older insurance linked plans subject to capital gains tax on sales. h Distribution free of UK taxes. g Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. z Previous day's price. ¶¶ Guernsey gross. ♦ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ♦ Yield column shows annualised rates of NAV increase. xd ex dividend. (**) Funds not SIB recognised.

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CANADIANS

1989 High	Low	Stock	Price £	+ or –	Div Gross	C'vr	Y'ld Gr's
157p	130p	♥ABM Gold Corp ‖	136p	+6	–	–	–
17¾p	4½p	♥Abbot Energy Corp	17½p	.....	–	–	–
11¼	902p	♥Amer. Barrick Res.	12	.....	–	–	–
3¼p	2⅜p	♥Amer. Lightwave ‖	2½p	.....	–	–	–
19⅜p	12¼p	♥Armeno	14⅞p	.....	–	–	–
109p	94p	♥Asiamerica ‖	108p	.....	–	–	–
33¾p	23p	♥Augmitto Explo	24¾p	.....	–	–	–
14⅝	12⅞	Bk. Montreal ‖	14⅛	+⅜	$2.12	–	7.2
762p	655p	Bk. Nova Scot. ‖	725p	.....	84c	–	5.6
18¾	17	BCE ‖	17¼	–⅜	$2.44	–	6.9
764p	570p	♥Bow Valley ‖	750p	.....	♦40c	–	2.6
14¼	12⅛	♥Brascan ‖	13¼	+⅛	88c	–	3.2
228p	184p	♥Breakwater Res.	186p	–7	10c	–	2.6
13⅝	11⅛	Can Imp Bank ‖	13	.....	$1.16	–	4.3
12¼	997p	Can. Pacific ‖	11⅝	.....	76c	–	3.2
38½	38½	Do. 4pc Deb £100	38½	.....	4%	–	10.4
465p	374p	Central Capital "A" ‖	465p	+19	–	–	–
448p	340p	♥Corona Corp	415p	–6	–	–	–
375p	328p	♥Cons TVX Min	335p	–6	–	–	–
48½p	19½p	♥Danbus Mem Syst. ‖	22⅞p	.....	–	–	–
633p	520p	♥Derlan Inds ‖	614p	+1	11.75c	–	0.9
933p	751p	♥Echo Bay Mines	886p	–6	$0.07	–	0.4
572p	370p	♥ECO Corp ‖	440p	+14	–	–	–
16⅜p	4½p	♥Energex Minerals ‖	10⅞p	+½	–	–	–
234p	203p	♥Galactic Resources	226p	.....	–	–	–
330p	245p	Gandalf Techs. Inc.	248p	.....	–	–	–
54½p	34p	♥Geodome Res.	35¼p	–1½	–	–	–
183p	150p	Granges Expln ‖	154p	.....	–	–	–
27½p	6p	♥Gt Pacific Res	16⅞p	.....	–	–	–
779p	651p	♥Gulf Canada ‖	731p	+12	52c	–	3.4
12¼	10¼	♥Hawker Sid Can ‖	11½	–1/16	$1.08	–	4.3
536p	348p	♥Henlys Group	388p	+18	–	–	–
12⅞	11⅛	♥Hudson's Bay ‖	12⅞	.....	60c	–	2.2
28¼	23	♥Imperial Oil ‖	26¼	+⅜	$1.80	–	3.3
18⅞	14⅛	Inco ‖	17¼	+⅜	$$0.80	–	2.7
659p	599p	♥Inland Nat. Gas $1	651p	–6	60c	–	4.4
150½p	102p	♥Madeleine Mines	141p	–3	–	–	–
193p	163p	♥Muscocho Expln	174p	.....	–	–	–
126p	85½p	♥*Nevada Goldfields*	116½p	–2½	–	–	–
12¼	10⅞	♥Rio Algom	11¼	.....	$1.30	–	5.4
19¾	17¼	Royal Bk. Can. ‖	19¼	+¼	$2.20	–	3.4
40⅞	33¼	Seagram ‖	40¼	.....	US$1.40	–	2.0
112p	74½p	♥Sonora Gold Corp ‖	104p	.....	–	–	–
85p	33p	♥Spiral Eng ‖	74½p	.....	–	–	–
109p	73p	♥Tam Pure Tech Corp ‖	101p	.....	–	–	–
19½	16¼	Toronto-Dom Bk ‖	19	.....	$1.12	–	2.8
799p	686p	♥Trans Can Pipe	799p	.....	68c	–	4.1
183p	154p	Varity Corp ‖	161p	+2	–	–	–

BANKS, HP & LEASING

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
*279	239	ANZ $A1	240	–3	s034½c	2.0	6.9	7.2
*301	241	Allied Irish	295	.....	F07.9%	3.1	5.2	10.1
£12½	£11⅛	Algemene Fl.10	£11½	.....	Q27%	1.9	6.6	–
85	62	Anglo Irish	85	.....	Q19.69%	1.2	5.3	24.2
79	75	Ansbacher (H.) 1p	77	+1	2.0	–	3.5	–
£49¼	£45⅛	B'caire Cie Fr100.	£48¼	–⅜	Q012¼%	–	2.4	–
£40¾	£36¼	Banco Bilbao Viz.	£36½	.....	Q35.7%	2.0	3.4	10.5
£32	£28	Banco de Santander	£31¾	+1⅛	Q21%	2.4	2.4	17.3
*301	230	Bank Ireland Ir£1	294	+2	Q15.47%	3.3	♦5	10.6
£17½	£17½	Bank Leumi	£17½	.....	–	–	–	–

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Finance, Land, etc

OIL AND GAS

OIL AND GAS—Contd

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
403	327	Shell Trans. Reg. α	385xd	+3	17.0	♦	5.9	♦
70	67	Do. 7pcPf. £1 y	70	..	4.9%	‡	9.3	–
420	328	Silkolene y	420		12.0	4	3.9	♦
13	10	Southwest Res. 40p y	12	...	♦	–	–	11.9
191	152	Sovereign Oil β	187	.....	–	–	–	49.6
16	11½	TR Energy 10p y	14	+½	–	–	–	–
£112	£97½	Texaco 8pc Cnv	£102½	..	Q8%	–	7.8	–
£39⅝	£32¼	Total-Cie Fr Pet B.	£38¼	–⅛	Q30%	♦	7.5	♦
167	142	Triton Europe 5p β	152	+2	–	–	–	32.3
23½	12½	Tuskar Res Ir 5p y	23½	+2½	–	–	–	–
*323	285	Ultramar α	287xd	+2	7.5	q1.3	3.5	(27.6)
106	85	♦Woodside A50c	100	–1	–	–	–	–

OVERSEAS TRADERS

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
85	75	Afex Corp US$1.50	83	....	Q9c	3.3	6.2	4.9
75	66	African Lakes y	75	–7	2.0	♦	3.7	♦
427	273	Antofagasta Hldgs. y	408	–3	Q13.0	♦	3.2	♦
50	48	Do. 5pc Cum Prf £1	50	...	Q4.9	–	9.6	–
61	42	Boustead 10p y	60	+1	t0.5	4.9	1.1	20.1
*149	117	Chillington Corp. y	149xd	+2	M7.7	1.1	6.9	18.0
57	35	♦Cons. Afex Corp US$1	57	...	Q3c	9.4	3.1	3.5
118	110	Finlay (James) β	111	..	4.15	1.1	5.0	24.8
12½	7	♦First Pac Co 1c	9½	..	t00.64c	♦	6.1	♦
£42½	£32	GN Great Northn £10	£41⅝	–⅛	12%	–	2.4	–
*60	46	Grand Central 10p y	53	..	t0.8	2.5	2.0	11.9
752	646	H'ris'ns. Cros. £1 α	751	+16	M29.0	1.7	5.1	15.1
273	203	Inchcape α	268	+6	t6.75	2.7	3.4	13.1
363	327	Lonrho α	[illegible]	–5	13.0	1.6	5.3	13.9
58	41	Ocean Wlsns. 20p y	[illegible]	..	2.5	2.4	6.2	7.4
333	291	Pat'son. Zoch. 10p y	[illegible]	....	17.8	3.3	3.3	11.6
333	291	Do. 'A' N/V 10p y	[illegible]	..	17.8	3.3	3.3	11.6
*351	267	Polly Peck Intl 10p α	[illegible]	..	H12.2	5.1	5.1	7.9
£194	£148	Do. 9pcCvLn '03-08 y	[illegible]	..	Q9%	–	4.9	–
186	171	REA Hldgs. y	[illegible]	..	M3.0	–	2.2	–
104	82	Sime Darby M$0.5	[illegible]	..	tQ11c	1.3	[illegible]	34.1
117½	98	Tozer Kems. 20p β	117½	+5	4.0	3.1	[illegible]	8.7
27	20	Utd Plnts Africa R0.50 y	[illegible]	....	Q5c	♦	5.7	♦

PLANTATIONS

Rubbers, Palm Oil

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
100	81	Anglo-East Plants. y	87	....	t1.0	♦	–
75	65	Bertam 10p	70	....	1.2	1.4	2.3
71	59	Cons. Plants M$0.5	64xd	....	tQ17c	1.1	5.6
68½	52	Harrisons Mly Pl M$1	54	....	tQ9c	1.7	3.5
57	51	Highlands M50c	54	....	Q10c	0.8	3.9
101	87	Kuala Kepong M$1	91	..	tQ17.5c	♦	4.1
50	40	Ledbu Hldgs 5p	45	....	b0.38	2.4	0.8
67	64	Rowe Evans Inv. 10p y	64	....	1.5	1.4	3.1

Teas

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
1225	1150	Assam Dooars £1	1225	....	11.0	♦	1.2
£27¼	£25	Lawrie Grp. £1	£27¼	....	45.0	1.1	2.2
205	190	Moran 10p	205	..	3.0	1.0	2.0
860	705	Williamson £1	860	...	20.0	1.9	3.1

MINES

Central Rand

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
241	121	Durban Deep R1	241	+8	–	–	–
273	229	East Rand Prp. R1	241	...	–	–	–
15	10	Egoli Cons. R0.50	10	...	Q12c	1.3	27.3
£35¼	£24⅝	Randfont'n Est. R2	£33¼	–⅛	Q150c	3.9	8.4
22	14½	Simmer & Jack R0.02	16	....	–	–	–
75	57	West Rand R1	72	....	tQ40c	2.1	‡

Eastern Rand

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
59½	32½	Bracken 90c	52	+3	Q45c	1.3	21.2
39	18	♦Cons Mod'tein 5c	30	..	q053	3.3	20.6
287	218	East Dagga R1	281	–1	Q78c	–	6.3
900	725	Eastern Trns. Co. 50c	900	....	tQ310c	3.7	8.1
247	147	ERGO R0.50	226	....	Q115c	1.9	11.6
74	49	Grootvlei 25c	74	....	Q70c	1.2	21.5
603	472	Kinross R1	578	....	Q270c	1.2	11.3
52	34	Leslie 65c	47	....	Q50c	1.2	27.8
55	40	Marievale R0.25	55	....	–	–	–
5½	3	♦Modder B Gold Hldgs	4½	....	–	–	–
31	22	♦Rand Ext. & Expl 50c	31	....	–	–	–
8	5	Roodepoort Gold	6	...	–	–	–
55	41	S. African Ld. 35c	50	....	Q60c	♦	27.3
52	37	Viakfontein 20c	50	....	tQ30c	1.[illegible]	‡
856	709	Winkelhaak R1	844	–1	Q315c	3.1	8.9
12	8	Wit. Nigel 25c	12	....	–	–	–

Far West Rand

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
200	170	Blyvoor 25c	185	–1	FQ100c	1.5	12.3
911	582	Buffels R1	792	–1	Q585c	1.8	16.8
214	129	Deelkraal R0.20	197	–3	tQ70c	2.0	8.3
79	63	Doornfontein R0.25	79	....	tQ45c	2.0	‡
606	465	Driefontein R0.50	585	–1	Q200c	1.4	8.0
341	232	Elandsrand Gld. 20c	333	–1	Q95c	1.6	6.5
59	44	Elsburg R1	46	....	Q10.4c	1.0	5.1
409	321	Hartebeest 10c	384	–3	tQ153c	1.4	9.4
558	439	Kloof Gold R0.25	544	–1	Q140c	2.7	6.0
137	84	Libanon R0.20	133	....	Q85c	1.9	‡
£22⅝	£15⅝	Southvaal 50c	£22¼	–⅛	Q710c	♦	7.3
204	171	Stilfontein 50c	193	....	Q150c	1.4	17.7
£50½	£36¼	Vaal Reefs 50c	£48⅛	–⅛	Q1900c	1.7	8.9
80	49	Venterspost R0.25	67	....	tQ80c	1.5	‡
90½	56	Western Areas R1	68	....	–	–	–
£21⅛	£14⅝	Western Deep R2	£19⅛	+⅛	Q500c	2.5	6.0
66	56	Zandpan 10c	66	....	tQ25.6c	1.0	8.8

O.F.S.

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
198	148	Beatrix Mines£	193xd	....	tQ68c	1.0	8.0
506	400	F.S. Cons. Gold 50c	500	....	tQ310c	2.4	‡
188	128	Free State Dev. 10c	183	....	–	–	–
376	303	Harmony 50c	344	–1	Q115c	2.2	7.6
123	85	Joel (H.J.) Gold R0.01	112	....	–	–	–
117	72	Loraine R1	108	....	Q25c	9.1	5.5
495	354	St. Helena R1	422	–8	tQ165c	3.7	8.9
241	176	Unisel	230	....	Q115c	1.3	11.4

Diamond and Platinum

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
£100	£71	Anglo Am. Inv. 50c	£100	....	Q160c	1.0	3.6
887	594	De Beers Df. 5c	863	....	Q200c	♦	5.3
340	310	Do. 40pc Pf. R5	325	....	40%	♦	2.3
628	496	Impala Plat. 20c	610	....	tQ180c	2.9	6.7
612	510	Lydenburg 12½c	612	....	‡Q150c	–	‡
805	655	Rus. Plat. 10c	773	–8	tsQ220c	1.4	6.5

Central African

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
32	30	Falcon Z$0.50c	30	....	hQ5c	6.1	5.1
22	21	Wankie Col. Z$1	22	....	tQ12.5c	5.5	‡
103	88	♦Willoughby's Cons. 50p	101	....	6.0	♦	7.9
70	45	Do. Pfd. 1p	65	....	6.0	–	12.7
27	20	Zam.Cpr.SBD0.24	26	....	–	–	–

Finance

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
£8⅛	£6½	Ang. Am. Coal 50c	£8⅛	....	Q240c	3.2	6.6
£12⅞	871	Anglo Amer. 10c	£12½	–⅛	Q290c	♦	5.8
£45⅝	£36⅜	Ang. Am. Gold R1	£40½	....	tQ1425c	1.1	‡
£58	£49	Anglovaal 50c	£58	....	tQ650c	4.6	2.6
25	14	♦Clogau Gold 10p α	22½	....	♦–	–	–
1478	1210	Cons. Gold Fields α	1338	+8	♦t32.0	2.4	3.2
750	600	Genbel R1	750	....	Q250c	1.0	7.6
*£12¼	870	Gencor 40c	£12⅛	...	Q230c	2.6	4.3
30	21½	Gold & Base 12½p y	27	....	0.4	1.0	1.9
£10½	790	Gold Fields S.A. 5c	£10½	+⅛	tQ190c	2.0	4.3
£91	£75	Jo'burg Cons. R2	£91	....	tQ1500c	2.2	3.8
£11¼	950	Middle Wit 25c	£11¼	....	‡Q160c	1.7	‡
813	628	Minorco $1.40	755	–1	tQ30c	2.1	2.3
*575	485	Monarch Res. 10p y	490	–10	–	–	–
210	185	New Wits 25c	210	..	Q45c	1.6	5.0
£12½	980	OFS Invs 1c	£12⅛	....	ZQ729c	–	13.6
5	4	Rand London 15c	4	....	–	–	–
£12⅞	£11⅞	Rand Mines R1	£12⅛	–⅛	Q450c	3.2	8.5
293	255	Rand Min. Props R1	293	....	Q120c	2.0	9.3
130	88	Vansa S.A.	120	....	–	–	–
110	82	Vogels 2½c	98	....	Q40c	♦	9.3
81	74	Waverley Min Fin 5p y	74	....	s–	–	–
334	252	Welkom Gold Hldgs 50c	333	–1	ZQ376c	–	25.7

Australians

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
13	8	♦Acorn Securities 20c	8½	....	♦–	–	–
4	2½	♦Afro-West 20c	2½	....	–	–	–
77	55	♦ACM 50c	74	....	Q7c	1.9	4.6
102	79	♦ACM Gold	92	–6	–	–	–
9	6	♦Aquarius Expln NL	7	....	–	–	–
18	13	Arboyne 50c	15	....	–	–	–
2½	2	♦Asia Oil & Minerals	2	...	–	–	–
16	5	♦AuDAX Res 25c	5	–1	–	–	–
7	3	♦Australis Mining N.L.	3	...	–	–	–
27	20	♦Aztec Expln	26	....	ZQ1c	–	1.9
28	23	BHP Goldmines 25c	26	....	–	–	–
178	99	♦Barrack Mines	104	–2	–	–	–
90	66	♦Bond Corpn. 50c	78	....	Q14c	4.0	9.0
150	118	♦Bougainville 1 Kina	128	–1	tQ46%	1.0	11.4
12	6½	♦Brunswick $1	7	....	–	–	–
444	370	♦CRA $2	402	–11	Q42c	♦	5.1
36	29	♦Carr Boyd 20c	34	–1	Q3c	–	4.5
56	38	♦Central Pacific	48	....	–	–	–
10½	6½	♦Croesus Mining N.L.	7	....	ZQ2c	–	13.8
24	18	♦Delta Gold 25c	22	..	–	–	–
75½	58¼	♦Dominion Mining	67	–2	Q4c	♦	3.0
8	5	♦Dragon Res. 25c	7	....	–	–	–
8	5	♦Duke Group A$1	5	....	–	–	–
2	2	♦Eagle Corp 10c	2	....	–	–	–
25	12	♦Eastmet 20c	15	....	–	–	–
138	110	♦Elders Resources	113	–3	Q16c	–	6.8
248	212	♦Emperor Mines	234	–4	–	–	–
7	5½	♦Endeavour 20c	5½	....	–	–	–
13	9	♦Enterprise Gld.	9	....	Q2c	–	10.7
103	78	♦Forsayth NL	93	...	Q10c	4.5	5.2
16	11½	♦Gem Exp & Minerals	16	....	–	–	–
10	6½	♦Golconda Mins NL 20c	9¼	....	–	–	–
57	40	♦GM Kalgoorlie 5c	53	–1	‡Q12c	0.8	‡
17	12	♦Gwalia Mins 25c	13	....	–	–	–
72	50	♦Gwalia Resources 20c	60	–1	Q7½c	–	6.0
10	3	♦Independent Res Ltd.	7	+1	–	–	–
3½	2	♦Indo Pacific NL	2	....	–	–	–
19	10	♦Jason Mining 20c	10	....	–	–	–
9	6	♦Jingellic Mnls.	6	....	–	–	–
10	6	♦Jolla Mines NL	8½	....	–	–	–
7	4	♦Kalbara Min 20c	4	....	–	–	–
142	106	♦Kidston Gld Min 20cts	134	–8	Q28c	1.8	10.1
21	16	♦Kitchener NL 25c	19	....	–	–	–
32	24	♦Mawson Pacific 20c	26	+1	–	–	–
71	40	♦Meekatharra 25c	61	....	–	–	–
74	65	♦Metals Ex 50c	70	...	–	–	–
250	185	♦Metana Minerals N.L.	193	–2	Q25c	♦	6.5
*99	80	♦MIM Hldgs 50c	84	....	Q5c	1.3	2.9
11	8	♦Minoil Secs. 25c	10	....	–	–	–
17	10	♦Mount Burgess 20c	11	–1	–	–	–
75	56	♦Normandy Res NL	69	....	–	–	–
140	107	♦Nth B Peko Hill 50c	114	–1	Q9c	4.0	3.8
*16	10½	Nth. Kalgurli	14½	....	–	–	–
201	166	♦Pan Aust Mining 25c	201	+1	–	–	–
95	74	♦Pancom. I 25c	80	–2	Q2.5c	5.6	1.5
16	8	♦Paragon Resources NL	8	–1	–	–	–
43	28	♦Paringa Mng/Exp 5p	28	....	Q8c	–	13.8
15	6	♦Pelsart Res NL	8	....	–	–	–
127	98	♦Placer Pac. 30cts	115	–3	–	–	–
391	298	♦Renison 50c	349	....	NQ11.25c	2.1	1.6
6½	3	♦Samson Expl'n. NL	4	....	–	–	–
8	5½	♦Sandhurst Mining	6	...	–	–	–
283	229	♦Sons Gwalia NL	283	....	Q50c	–	8.7
3	2	♦Sthn Goldfields	2½	....	–	–	–
27	17	♦Southern Pacific	22	....	–	–	–
19	13	♦Southern Res	14	....	–	–	–
6	4½	♦Southern Ventures 25c	3½	....	0.5c	–	4.6
7¼	5½	♦Spargos Mining NL	7¼	....	Q1c	–	6.6
3	2	♦Swan Res 20c	2	....	–	–	–
5	2½	♦West Coast 25c	4	–½	–	–	–
272	224	♦Westn. Mining 50c	233	–4	tQ23c	1.4	4.9
120	90	♦Whim Creek 10c	113	–2	Q11c	6.4	4.7

MINES—Contd

Tins

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
40	35	♦Ayer Hitam $M1	40	....	‡Q53.3c	0.7	‡
For Geevor see Mines (Miscellaneous)							
63	38	Gopeng Berhad M$0.50	63xd	....	Q10c	♦	3.0
615	83	Jantar 12½p α	131	+1	♦	–	–
67	47	Malaysia Mng 10c	61	....	Q5c	♦	1.7
155	120	Petaling $M1	150	....	Q87c	1.0	12.3
110	90	Sungei Besi $M1	110	....	Q70c	1.4	13.5
90	93	Tanjong 15p	90xd	....	–	–	–

Miscellaneous

1989 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
78	69	Anglesey Mining 9p y	78	+1	–	–	–
22	18	Do. Warrants y	18	....	–	–	–
32½	26	Anglo-Dominion	27¼	..	–	–	–
520	385	Bond Intl. Gold	483	–29	–	–	–
64	39	Butte Mining 10p y	56	+1	–	–	–
45¼	26¼	♦Colby Res Corp	31¼	....	–	–	–
112	83	Cons. Murch. 10c	109	+2	Q30c	2.1	7.0
78	45	♦DRX Inc.	52	....	–	–	–
*27½	21	‡Enera. Im. Ir10p y	22	....	–	–	–
120	106	Europa Minerals 2p y	118	...	b1.0	–	1.1
50½	39	♦Explaura L/V 5p β	42	–1	–	–	–
*93	70	Geevor y	83	–3	–	–	–
*85	53	Greenwich Res. β	57	+1	–	–	–
£7½	£4½	♦Hemlo Gold Mines	£7¼	+⅛	5Q20c	–	1.3
£9¼	£6⅛	Homestake Mining $1	£8⅛	–⅛	Q20c	–	1.4
47¾	26¼	♦McFinley Red Lake	37¼	....	n–	–	–
25½	19	♦New Sabina Res C$1	25¼	....	–	–	–
348	268	Northgate C$1	334	–1	s–	–	–
28¼	6	♦Nor-Quest Res.	20¼	+1	–	–	–
545	411	RTZ 10p α	524	+4	15.0	♦	3.9
£272½	£202½	Do. 9½pc '95-00 y	£260½	+3	Q9½%	37.7	3.6
13¾	6	♦Thorco Res. Inc ‖	13¼	+2⅞	–	–	–
250	196	♦Young Group 10p y	238	+2	L6.3	♦	3.5

THIRD MARKET

1909 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
82	77	ASB Barnett 2p y	79	....	–	–	–	–
*16	11	Amercore Energy 10p y	14	..	–	–	–	–
73	65	Andaman Res. 10p y	71	....	–	–	–	–
90	58	Associated Farmers	76	..	–	–	–	33.6
1½	0¼	Barbican Hldgs. 1p y	1¼	....	–	–	–	–
121	96	Beckenham Grp 5p y	115	....	2.5	2.6	2.9	10.5
200	176	Broadcast Comms. y	197	..	–	–	–	25.6
26	17	Caldwell Invs. 10p y	17	....	–	–	–	7.4
26	16	Caspen Oil 10p y	18½	+½	–	–	–	♦
90	75	Chelsea Artisans 5p y	75	..	1.0	7.1	1.9	9.5
*48	30	ChemEx Intl	48	..	–	–	–	–
*61	28	Comac Group 5p y	60xr	–1	g1.25	6.2	2.8	9.3
143	125	Crown Eyeglass 5p y	138	+3	–	–	–	15.3
116	101	Cupid 10p y	113	..	b2.0	6.4	2.4	8.9
33	28	Dana Expl y	30	...	–	–	–	–
100	67½	Eglinton Expln Ir 50p y	75	..	–	–	–	–
30	2	Do. Wrrnts. y	20	–1	–	–	–	–
60	35	Far East Res. 10p y	53	...	–	–	–	–
40	27	Feltrim Min Ir0.20 y	31	...	–	–	–	–
116	135	Haemocell 1p y	116	+20	–	–	–	–
81	76	Hiclare 5p y	81	...	–	–	–	13.3
*27	21	Honorbilt Group 5p y	24	+1	–	–	–	♦
18	13	Intl Comm & Data 5p y	15	....	–	–	–	9.0
16	12	Ivernia West y	14	..	–	–	–	–
63	58½	Kells Mins. Ir5p y	62	..	–	–	–	–
40	31	Kemp (P.E.) 5p y	36	–2	1.5	♦	5.6	♦
20	17	Kromagraphic 1p y	19	....	–	–	–	–
98	93	LGW 5p y	98	...	b2.0	2.1	2.7	23.3
95	78	Leading Leisure 5p y	95xd	....	2.0	2.7	2.8	16.6
*23	12	Lynx Group 5p y	18	..	–	–	–	3.1
*436½	353½	M. L. Labs 1p y	411	+2	n–	–	–	–
146	96	Medicare 10p y	144	+1	–	–	–	–
6¼	5½	Moray Firth 1p y	6	....	–	–	–	–
12½	9½	Norton Group 5p y	11½	...	–	–	–	♦
45	24	Ovoca Gold IR 2p y	44xd	...	–	–	–	–
18	13	Pennant Grp. 2p y	14	–1	d0.2	–	1.9	–
38	35	Pennine Optical 2½p y	35	..	–	–	–	9.4
58	20	Poddington 5p y	58	+5	–	–	–	–
60	40	Propeller 1p y	51	–2	0.5	♦	1.3	♦
65	56	Rentaminster 5p y	63	+1	F2.0	4.3	4.3	14.7
197	180	Royal Sovereign 10p y	185	–5	5.5	♦	4.1	♦
21½	20	Scott Pickford 10p y	20	....	3.1	0.7	20.7	10.4
133	95	Seacon Hldgs y	130	....	2.5	♦	2.6	♦
11	7	Sonic Tape 2½p y	7½	....	–	–	–	9.9
19	13	Staks Hldgs. 5p y	14	....	–	–	–	16.6
*2¼	1¼	Swanyard Studios 1p y	2½	....	–	–	–	♦
455	285	Takare y	455	+5	1.0	♦	0.3	♦
46	28	Tomorrows Leisure 20p y	46	....	–	–	–	22.9
19	14	Tullow Oil 10p y	16	....	–	–	–	–
113	100	UPL Group 10p y	110	....	L2.41	4.3	2.9	15.0
147	140	Uni Group y	140	....	F7.5	2.9	7.1	8.0
31	23	Whitegate Leisure 20p y	31	+½	–	–	–	–
17	10	Do. Wrrnts. y	17	+½	–	–	–	–
9¼	5	Wilton Group 1p y	9¼	....	–	–	–	–

NOTES

Stock Exchange dealing classifications are indicated to the right of security names: α Alpha, β Beta, y Gamma.

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 25 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock"
- ¤ Highs and lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed
- ‡ Interim since reduced, passed or deferred
- ‡‡ Tax-free to non-residents on application
- ♦ Figures or report awaited
- ♥ Not officially UK listed; dealings permitted under rule 535(4)(a)
- ♣ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ¶¶ Not officially listed.
- ‡ Price at time of suspension
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress
- ♣ Not comparable
- ♠ Same interim; reduced final and/or reduced earnings indicated
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E usually provided.
- ‖ No par value

B.Fr. Belgian Francs. Fr. French Francs §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Annualised dividend. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast, or estimated annualised dividend rate, cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1988-89. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1989. K Dividend and yield based on prospectus or other official estimates for 1987-88. L Estimated annualised dividend, cover and P/E based on latest annual earnings. M Dividend and yield based on prospectus or other official estimates for 1988. N Dividend and yield based on prospectus or other official estimates for 1989-90. P Figures based on prospectus or other official estimates for 1987. Q Gross. R Forecast annualised dividend, cover and p/e based on prospectus or other official estimates. T Figures assumed. W Pro forma figures. Z Dividend total to date. Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or –
Albany Inv 20p y	92	+1
Craig & Rose £1 y	720	......
Finlay Pkg. 5p y	91	......
Holt (Jos) 25p y	1280	......

IRISH

Stock	Price	+ or –
Cap 8½% Ln. 1991	£100¾	......
9pc Cap Ln. 1996	£101	......
Fin. 13% 97/02	£120½	......
Arnotts	480	......
Carroll (P.J.) y	150	+1
Hall (R. & H.)	145	......
Hilton Hldgs. y	70	......
Irish Ropes	160	......

TRADITIONAL OPTIONS

3-month call rates

Industrials	p
Allied-Lyons	40
Amstrad	18
BAT	40
BOC Grp	36
BSR	7½
BTR	26
Barclays	34
Beecham	40
Blue Circle	39
Boots	20
Bowaters	38
Brit Aerospace	42
Brit Telecom	21
Burton Ord	18
Cadburys	31
Charter Cons	45
Comm Union	28
Courtaulds	26
FKI Babcock	13
FNFC	21
Gen Accident	71
GEC	15
Glaxo	98
Grand Met	38
GUS 'A'	98
Guardian	16
GKN	28
Hanson	12
Hawker Sidd	48
ICI	85
Jaguar	22
Ladbroke	38
Legal & Gen	26
Lex Service	34
Lloyds Bank	29
Lucas Inds	48
Marks & Spencer	15
Midland Bk	35
Morgan Grenfell	20
NEI	12
Nat West Bk	45
P & O Dfd	48
Plessey	13
Polly Peck	28
Racal Elect	25
RHM	32
Rank Org Ord	63
Reed Intnl	38
STC	24
Sears	13
TI	32
TSB	9
Tesco	12
Thorn EMI	55
Trust Houses	24
T&N	16
Unilever	42
Vickers	15
Wellcome	42
Property	
Brit Land	39
Land Securities	52
MEPC	50
Oils	
Brit Petroleum	21
Do. (P Paid)	12
Burmah Oil	48
Calor	35
Charterhall	2½
Premier	9
Shell	65
Ultramar	21
Mines	
Cons Gold	100
Lonrho	38
RTZ	40

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £985 per annum for each security.

FINANCIAL TIMES
Weekend April 1/April 2 1989

Mrs Thatcher marches onward in Africa

Michael Holman in Blantyre reports on the Prime Minister's tour of Africa

Margaret Thatcher visits a camp for 70,000 refugees from Mozambique

MRS Margaret Thatcher was expected to arrive in Namibia today on what may be the penultimate step of a journey to Pretoria which began a little over a year ago.

Her reception in Windhoek, the Namibian capital, however, may be less enthusiastic than the welcome she has been given in Malawi towards the end of her week-long African tour. In Namibia there is white apprehension about the prospect of independence and black misgivings about Britain's relations with South Africa.

Presumably it was her regal presence which inspired Malawi's Daily Times to choose 1 Kings Chapter 10 verses 2 and 3 as its thought for the day: "She (the Queen of Sheba) came to Jerusalem with a very great retinue, with camels bearing spices, and very much gold, and precious stones . . ."

In the event, Mrs Thatcher came with £3m and a load of blankets for the more than 600,000 refugees, who have sought sanctuary in Malawi from the war in neighbouring Mozambique.

The Prime Minister's African tour, which has contained a series of messages on southern Africa policy, verbal or symbolic, is today due to culminate in her dramatic arrival at Windhoek on the day Namibia begins its transition to independence.

What now stands in the way of a visit to South Africa is the continued *detention* of Mr Nelson Mandela, the detained leader of the banned African National Congress. If Mrs Thatcher's recently expressed optimism about the possibility of his release is well-founded that day might not be far off.

The journey to Pretoria began in January last year when she tackled the sanctions question and chose Nigeria to *demonstrate* that Britain and black Africa could differ over the means with which to end *apartheid, but remain friends.*

Her belief that an anti-sanctions stance was compatible with good relations was borne out in Nigeria this week. President Ibrahim Babangida still supports tougher sanctions but appreciates British support of his country's structural adjustment programme.

Senior Nigerian ministers now tend to refer to Mrs Thatcher simply as "madam" in a tone which combines familiarity, respect, and good-natured teasing.

For Mrs Thatcher, sanctions are now not on the agenda. On this trip, she has moved on to phase two, set out in a series of *messages and signals to different* constituencies: black Africa, white and black South Africa and the ANC. The first message, directed to all concerned is that reform should be encouraged by contact with Pretoria, not isolation.

Associated with this is the message that carrots work better than sticks: reward South Africa for the changes that have taken place, albeit belated and inadequate; encourage more trade and investment, not less, argues Mrs Thatcher.

However, she is not averse to using the threat of tougher sanctions when applied by others. It was significant that in Harare, the capital of Zimbabwe, on Thursday she cited the Namibian settlement as a further reason for resisting sanctions. The grounds she gave was that it would be irrational and unproductive to punish South Africa when such progress is being made in the continent's south-western region.

This, though, also carried an implicit warning to Pretoria. Mrs Thatcher was, in effect, *telling President P W Botha* and the President-in-waiting, Mr F W de Klerk, that if South Africa disrupted the territory's seven-month transition to independence elections, the international campaign for tougher sanctions would be boosted.

She has also been sending a message to the ANC: suspend violence – Mrs Thatcher seems deliberately to have avoided using the word "renounce," perhaps accepting that this is asking too much – and it will *strengthen* my hand when I press for the release of Nelson Mandela, she appears to be saying.

The next step would be all-party talks, and here Mrs Thatcher has been doing two things. She has floated her ideas on a new constitution – a federal system which "makes provision for (South Africa's) many cultural differences in their society; and she has also started interfering in the internal affairs of South Africa's ruling National Party.

For some time Mrs Thatcher has been impatient with President Botha's slow pace of reform, although appreciative *of his moves on Namibia. Mr* Barend du Plessis, the reformist Finance Minister, will be the first of several visitors to Downing Street who will be encourged to get a move on. She is determined that the party leadership dispute should not freeze the process in the coming months.

The Prime Minister has also made peace in Mozambique a priority. She has offered British mediation to help end the Mozambique Government's war with the South African-supported Renamo rebels, or "terrorists," as she calls them.

Mrs Thatcher's denial that South Africa is flouting a non-aggression pact with Mozambique carries little weight with most Western diplomats. However, her vigorous denunciation of the rebels and warm endorsement of President Joaquim Chissano during their meeting in Zimbabwe this week is a warning that Pretoria must honour its commitments.

Finally, there is a message for Moscow. Mrs Thatcher, who praised the *Soviet Union's* role in south-western Africa, is putting southern Africa high on the agenda when she meets *President* Mikhail Gorbachev in London next week.

She is determined, though, that the West should not lose the initiative in southern Africa. Her enthusiasm for Namibia's membership of the Commonwealth is also a way of saying that she would like the region to be a Western patch.

It all adds up not so much to a grand initiative as a determination to make best use of what Mrs Thatcher sees as a new, hopeful political climate in the region.

The case for the sceptics is led by President Robert Mugabe of Zimbabwe, whom Mrs Thatcher *failed to convince* when the two leaders met in Harare. However, the track-record of Mr Mugabe, who has accused Mrs Thatcher of thinking that she has some "magic wand," shows poor judgment in the past.

Thatcher expects reform, Page 2; Namibia, Page 7

Reuters unveils share restructuring

By Raymond Snoddy

REUTERS, the international news and information organisation, yesterday announced changes to its share structure which should make its shares more attractive, help the company to fund acquisitions through new issues and obtain further stock market listings.

In future all Reuters "A" shares, with four votes each and which control 54 per cent of the votes in the company, are to be converted into "B" shares. These will then become ordinary shares.

The move will give Reuters, which went public in 1984, a single class of shares, apart from a sole founder's share designed to protect its independence and integrity. This "golden" share prevents a hostile takeover.

The 97.3m "A" shares, accounting for 23 per cent of the equity, are currently held by the Press Association news agency (41.7m), some members of the Newspaper Publishers Association (41.7m) and the Australian Associated Press news agency (13.9m).

Reuters said yesterday it would purchase 41.1m converted shares from PA and NPA members at 569p per share for a total of £233.8m. To fund the purchase and meet other costs, the company will issue 39.1m new "B" shares at 625p a share, raising £244.1m.

About 18.3m of the new "B" shares have conditionally been taken up by NPA members. The balance of 20.8m new "B" shares and 11.2m converted shares will be placed with institutional shareholders outside North America, and with NPA members.

Yesterday's proposed restructuring, designed to avoid capital gains tax for the "A" shareholders, also includes arrangements for an orderly market in the shares to avoid large numbers of them coming up for sale at the same time.

Reuters said yesterday that the restructuring, apart from giving the company more flexibility in raising share capital and making it easier to obtain new listings, would improve the marketability of Reuter shares. Some UK institutions have in the past objected to the company's two-tier share structure.

When the deal is complete three shareholders will have more than 5 per cent of Reuters "B" shares. Mr Rupert Murdoch's News Corporation will have 6.21 per cent, the Daily Mail and General Trust will have 7.69 per cent and the Abu Dhabi Investment Authority will have 8.05 per cent.

CHIEF PRICE CHANGES YESTERDAY

FRANKFURT (Dm)			
Rises			
BASF	293	+	4.9
Lufthansa	161.5	+	3
Mannesmann	234.5	+	4.3
Thyssen	234.5	+	6.5
Falls			
Allianz	1699	–	17
Kaufhof	414	–	4
NEW YORK ($)			
Rises			
Citicorp	29½	+	⅛
Citizens Sthn.	35⅝	+	8⅞
NWA	83½	+	15¼
UAL	117⅝	+	3⅛
Falls			
Morgan Stanley	51⅞	–	⅞
NCNB	34⅞	–	1⅛
New York prices at 12.30.			
LONDON (Pence)			
Rises			
AIM	375	+	12
BAT Inds.	576	+	13
BICC	515	+	17
Brit. Aero	570	+	15
Cable & Wire	486	+	17
Harrison & C.	751	+	18
Keep Tst.	460	+	74
Millward Brown	214	+	7
Musterlin	155	+	21
P & O Dfd.	670	+	12

PARIS (FFrs)			
Rises			
SIC	761	+	32
Luchaire	444	+	31
Falls			
Bail-Equip	307	–	10
Lab R.Bellon	1682	–	60
Lebon	1340	–	48
Pechelbron	1020	–	29
TOKYO (Yen)			
Rises			
Taiyo Yuden	1380	+	150
Yokowo Mfg.	2120	+	220
Yomiuri Land	2290	+	230
Yuasa Battery	1310	+	200
Falls			
Kyokuto Boeki	1250	–	100
Toshiba Eng.	1110	–	110
RMC	664	+	12
Reuters B	692	+	29
Std.Chartered	553	+	8
Steetley	413	+	7
Sun Alliance	1163	+	34
Unitech	348	+	29
Ward White	270	+	12
Falls			
Alida Hldgs.	295	–	25
Normans Grp.	67½	–	2½

WORLDWIDE WEATHER

		Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio		–	–	Dallas †	F	9	48	Madeira	F	17	63	Prague	S	19	66
Algiers	S	20	68	Dublin	C	13	55	Madrid	F	13	55	Reykjavik	R	3	37
Amsterdam	S	16	61	Dubrovnik	S	18	64	Majorca	F	16	61	Rhodes	S	18	64
Athens	S	19	66	Edinburgh	C	10	50	Malaga	S	19	66	Rio d'Janeiro		–	–
Bahrain	S	19	66	Faro	F	17	63	Malta	S	20	68	Rome	S	22	72
Barcelona	F	16	61	Florence	S	22	72	Manchester	C	11	52	Salzburg	F	21	70
Belfast	C	12	54	Frankfurt	S	14	57	Melbourne	R	16	61	S'Francisco †	C	13	55
Belgrade	S	23	73	Geneva	F	16	61	Mexico City		–	–	Santiago		–	–
Berlin	F	17	63	Gibraltar	F	18	64	Miami †	S	24	75	Seoul	S	19	66
Biarritz	Dr	11	52	Glasgow	C	9	48	Milan	F	17	63	Singapore		–	–
Birmingham	C	11	52	Guernsey	C	10	50	Montreal †	C	0	32	Stockholm	F	4	39
Blackpool	C	11	52	Helsinki	S	5	41	Moscow	C	2	36	Strasbourg	S	20	68
Bombay	S	32	90	Hong Kong	F	25	77	Munich	S	21	70	Sydney	F	21	70
Bordeaux	F	16	61	Innsbruck	S	19	66	Nairobi		–	–	Tangier	C	17	63
Boulogne	F	11	52	Inverness	S	11	52	Naples	S	25	77	Tel Aviv	S	21	70
Bristol	S	13	55	Isle of Man	Dr	9	48	Nassau		–	–	Tenerife	F	18	64
Brussels	S	16	61	Istanbul	S	15	59	Newcastle	C	16	61	Tokyo	R	14	57
Buenos Aires		–	–	Jersey	S	12	54	New Delhi		–	–	Toronto †	C	1	34
Budapest	S	23	73	Johannesburg	S	18	64	New York †	C	4	39	Tunis	F	23	73
Cairo	S	23	73	Las Palmas	F	20	68	Nice	S	18	64	Valencia	R	12	54
Cape Town	C	18	64	Leeds	C	12	54	Nicosia	S	18	64	Venice	C	13	55
Cardiff	S	13	55	Lisbon	C	15	59	Oporto	C	14	57	Vienna	S	23	73
Chicago †	C	2	36	Locarno	C	15	59	Oslo	C	8	46	Warsaw	R	11	52
Cologne	F	17	63	London	S	17	63	Paris	S	18	64	Washington †	Dr	12	54
Copenhagen	C	9	48	Los Angeles †	F	14	57	Peking	S	26	79	Wellington	F	18	64
Corfu	S	20	68	Luxembourg	S	13	55	Perth	C	21	70	Zurich	S	20	68

C—Cloudy. Dr—Drizzle. F—Fair. Fg—Fog. H—Hail. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow. T—Thunder.
† Noon GMT temperatures

Directors held liable for company's debts

By Richard Waters

A HIGH COURT judge has found two directors personally liable for their company's debts because they traded when they should have known the company was insolvent.

The case, believed to be the first of its kind, has wide implications for all directors.

Since the Insolvency Act 1986, directors have been personally liable if they "knew, or ought to have known" they were insolvent and failed to take action, for instance by informing their creditors.

These so-called "wrongful trading" provisions are not thought to have been tested in the courts, although there are said to have been out-of-court settlements.

However, it is feared that, with hindsight, many directors will be told they should have been aware of financial difficulties earlier.

In the High Court Mr Justice Knox upheld a claim that two directors of Produce Marketing Consortium, which went into voluntary liquidation in October 1987, should have taken action earlier. The case was brought by the company's liquidator, Mr Nigel Halls of Deloitte Haskins & Sells.

Mr Eric Peter David and Mr Ronald Murphy, the directors, were ordered to pay £75,000 plus costs, as well as interest on the £75,000 from the date of liquidation.

Produce Marketing's accountants had warned in February 1987 that the company was insolvent. However, the court found that the directors ought to have known this in October 1986 if their accounts had been drawn up within the time allowed by the Companies Act.

This deadline, although the directors failed to meet it, was the date by which the directors should have known about the state of the company, according to the court.

Matsushita to build Welsh plant

By Paul Abrahams in Tokyo and **Anthony Moreton** in Cardiff

MATSUSHITA, the Japanese group known for its Panasonic range of household electrical equipment, has chosen Newport, South Wales, for a components factory after lengthy consideration of European sites.

The plant will be the first outside Japan to produce magnetrons, the components that generate microwaves. It will also produce electric motors for video cassette recorders and typewriters.

The company, one of Japan's largest industrial concerns, is in the last stages of negotiation with the Welsh Development Agency to purchase the site, though its UK headquarters said yesterday: "Nothing has been finalised as to cost or the components to be produced." However, Matsushita executives in Tokyo expect to complete the contract in May.

Matsushita is believed to have looked closely at a site in West Germany, among others, before opting for Llantarnam industrial park at Newport. It is believed the plant will be capital-intensive but a relatively minor employer.

The decision to build the factory follows the rapid expansion in the European microwave oven market over the past two years.

Matsushita already has three plants in South Wales, employing more than 1,300 people. They are situated at Cardiff, Newport and Port Talbot.

Matsushita is responsible for 90 per cent of the world's output of magnetrons.

Its plans to invest in Wales come at a time when Japanese companies are under increasing pressure to set up manufacturing and component capacity within the EC.

Police probe Fayeds

Continued from Page 1

before the DTI obtained an injunction blocking further dissemination of the material.

In his letter to Lord Young, Sir Edward said: "There is strong public interest in the publication of the report." He added that Lonrho needed to keep copies to help it prepare its application to have the injunction lifted.

"I am not prepared to let you have, immediately, all copies of the report in Lonrho's possession."

Lonrho said that it only received the material supporting the DTI injunction at lunchtime. Yesterday after*noon, the company* was given leave to challenge the injunction. The case will be heard before Mr Justice Tudor Evans at 10am on Monday.

Sir Edward wrote that he had been advised that the Lords should be asked to receive a copy of the report as evidence for a hearing scheduled for April 10. Lonrho is appealing against an Appeal Court reversal of a High Court ruling that the DTI report be published and the House of Fraser bid be referred to the Monopolies Commission.

Earlier in the day, the DTI said it had begun an internal inquiry into the source of the leak, which has infuriated Lord Young. It is thought that no more than 50 copies of the report were circulated

Sir Edward's letter answered suggestions that the Observer may have defied the DTI by sending out copies of its special issue after the injunction had been served.

"The only copies posted by Lonrho were posted at 11.20am, half an hour before the injunction was obtained."

Mr Nick Morrell, the Observer's managing director, said that despite the injunction, Thursday's newspaper had reached its key audience of politicians, City institutions

The issue – which bears the headline, Exposed: The Phoney Pharoah alongside a picture of Mr Mohamed Fayed – was still on sale on City newsstands, at up to £1 a copy compared to a cover price of 25p.

Separately, Lonrho yesterday issued a writ against Mr Michael Cole, House of Fraser's public relations officer, for allegedly defamatory statements.

The Observer meanwhile began proceedings to have a House of Fraser injunction lifted. This bans the newspaper from publishing any evidence which the Fayeds gave the DTI Inspectors investigating the £615m House of Fraser takeover.

THE LEX COLUMN

Market intelligence from Reuters

The principle of no free lunches in the equity market will no doubt remain inviolate in spite of yesterday's deal from Reuters. None the less, the deal seems to have generated more gains than losses for every major player apart from the Inland Revenue. Reuters abolishes the inequities of the old two-tier voting structure, without abandoning the immunity from takeover guaranteed by its own version of the golden share. Yet the cost of effecting the deal – which should make it easier to sell the company at home and abroad – is mostly met by those who lost control of it yesterday. And despite a £244m placing of new Reuters "B" shares, earnings per share are actually enhanced by the arrangement.

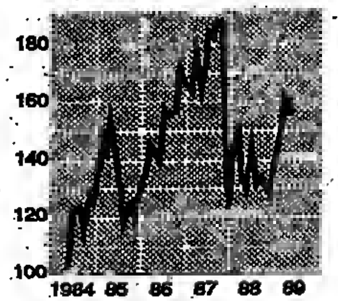
The "A" shareholders, for their part, get access to the cash which many have had their eye on since the day Reuters was floated five years ago – but without doing anything so unoriginal as actually selling the shares in the market, with the implications that would have had for capital gains tax and the share price. The market got keener on the deal as the day progressed, with the shares closing 5 per cent higher at 692p. Relief was no doubt a major stimulant; after months of worry that hard-up "A" shareholders would dump their holdings unceremoniously on the market, such a neat solution was bound to be well received.

But if the deal removes a distraction from the Reuters share price, it does nothing to alter the fundamental value of the company. That depends crucially on the health of Reuters' customer base in the world's financial markets; and it is difficult to be sanguine enough about that to argue that the shares deserve more than their current prospective rating of over 17 times earnings.

FT Index rose 21.2 to 1,767.9

Reuters

Share price relative to the FT-A All-Share Index



Markets

Behind the FT-SE's apparently untroubled 25-point rise yesterday lurked an element of *drama. The end of the first* quarter is a naturally trying time; but the really tricky bit came at 11.20 – double witching hour – with the expiry of the 3 month FT-SE future. As the Stock Exchange came to realise some ten days ago, arbitraging of this particular future against the underlying securities had got out of hand. The unwinding of positions, if allowed to proceed unchecked, would have resulted in the simultaneous dumping of £500m of stock.

This was partly averted by firms being persuaded to unload a day or two in advance; but there will also be an overhang of stock into April, which may take some handling. All this raises the question of how far the futures tail is now wagging the FT-SE dog; or indeed, as a separate but related issue, how far traded options are coming to dominate individual stocks. It cannot be good for the market to have price movements dictated by unseen forces of this kind, especially when the transparency of the screen-dealing system has been reduced in any case. And, insofar as index arbitraging is profitable, it gives a further edge to the big market makers, who can effect the transaction without paying stamp duty.

More generally, the recent tone in London has been one of intra-market speculation, rather than investor interest. The market's ability to shrug off bad news such as the trade figures seems partly based on the belief that the institutions are still long on cash and anxious for stock. Until that notion has been tested by a real shake-out, it might not do to rely on it.

Alaskan oil

Every ten years or so there is a major oil spill which has *an impact on the international* oil industry out of all proportion to the damage caused. Offshore oil exploration in California, which is second only to Alaska in terms of its untapped oil reserves, has never been the same since a 1969 oil spill in the Santa Barbara channel: the Amoco Cadiz disaster in 1978 led to changes in tanker regulations which increased the cost of oil shipping: and now the latest oil spill in Alaska threatens future exploration in America's richest oil province.

Although BP yesterday joined Exxon in cutting back its Alaskan oil production – helping push oil prices above $20 a barrel – the disruptions to supply should be temporary. Previous oil spills have shown that the environmental damage is rarely anywhere near as bad as first feared. However, the sight of one of the world's biggest oil companies breaking the rules in such a spectacular way – and then being slow to clean up the mess – may well have done untold damage to the oil industry's image as careful guardian of the world's natural resources.

Unfortunately, Exxon's pride is not the only casualty. If this *latest oil spill leads to an* environmental backlash which prevents oil exploration in environmentally sensitive areas, it could hurt the long-term plans of BP, which depends on Alaska for more than half its production. However, the biggest casualty is the US. It is already importing more oil than it produces, and this latest affair can only increase its dependence on imported oil.

Beecham

The rumour about a Beecham/SmithKline merger surfaced again this week, prompted by a newspaper report from *SmithKline's* home town. Given the consolidation widely expected in the drug industry in the next few years, it would be surprising if two such middleweights had not sounded each other out. But it scarcely seems feasible for Beecham to mount a hostile and doubtless contested bid for a company with a market value of nearly $7bn. And although an agreed merger would have logical appeal, a marriage of minds between Mr Wendt of SmithKline and Mr Bauman's management team could be tricky to arrange.

The interesting question is what happens to a company of Beecham's size without such a merger. The company's two component parts are very tempting, and ICI and Unilever, say, would probably *jump at the chance* of mounting the joint bid they contemplated a few years ago. But Mr Bauman has his following in the City, and in his undemonstrative way has brought the company to a new pitch of efficiency. There is plenty that Beecham lacks, in particular the marketing muscle in the US and Japan properly to exploit the drugs now in development. But those who expect it to be either predator or prey could be disappointed.

Weekend FT

SECTION II

Weekend April 1/April 2, 1989

Castro's drive to educate the world

Robert Graham explains how Cuba's ruler is combining his desire for a place in the history books with his belief in the importance of learning

PRESIDENT Fidel Castro has embarked on the most remarkable educational experiment conducted by any developing country. Not content with merely educating his fellow Cubans, over the past decade he has transformed an island penal colony off the southern coast of Cuba into the site for a series of international secondary/pre-university schools. Here, free of charge, Cuba hosts 18,000 foreign pupils from more than 30 developing countries.

Known formerly as the Isle of Pines, it has been renamed the Isle of Youth. This lush, tropical island, dotted by occasional low mountains of marble rock, has 58,000 permanent residents but almost 50,000 in educational establishments, of whom nearly half are foreign. Since Cuba's total population is only 10.3m, it is as if Britain were to be paying for the education of 100,000 foreign high school and pre-university students in one small county.

The scheme is a microcosm of how the Cuban revolution remains a highly personal affair, even after 30 years. The schools are a quintessential reflection of Castro's complex personality. In this instance, his burning desire to occupy a place in the world history books has combined with his obsessive belief in the importance of education and an instinctive solidarity with those whom he sees as worse off.

Although the massive flow of Soviet aid to Cuba over the years has, indirectly, made the schools possible, Moscow has never had a hand in this aspect of Castro's third-world diplomacy. Indeed, when Soviet leader Mikhail Gorbachev goes there during his three-day visit next week, he might well wonder if this kind of activity is wildly over-ambitious for a small Caribbean nation.

Certainly, the Isle of Youth could have been developed far more profitably for tourism and agriculture. But its choice for this experiment is laden with symbolism. It was the site of the Presidio Modelo (Model Prison), the most notorious of jails in pre-revolutionary Cuba. Built in the 1920s, it consists of four huge, round cell blocks that radiate from an enormous circular central hall to which they are connected by an underground tunnel.

Castro was sent to this prison in 1953 to serve a 15-year sentence for master-minding an abortive attack on the Moncada barracks. He and his fellow-conspirators were kept apart in the prison hospital, and today this is a museum with the status of a revolutionary shrine. Here, aged 27 and ruminating on the hot-headed mistakes of Moncada, he became a dedicated revolutionary. It was also here that he became enthused with the most enduring of his passions – education.

"The first foreign school was opened in 1978 with 600 students from Mozambique, although the idea formed originally when Fidel offered schooling for Angolans to President Agostinho Neto," says Waldo Medina, the island's educational programme director. The germ for the idea seems to have been a typical mix of Castro's impulsive generosity and political calculation. Being very friendly with Neto, and having just begun a build-up of Cuban troops in Angola, he was moved deeply by the consequences of the May 1977 South African attack on Namibian refugee camps (the Kassinga massacre) and wanted to help educate those orphaned as a result.

He also believed that Cuba's own experience in eliminating illiteracy could be turned to good effect abroad, especially as Cuba was turning out a surplus of teachers. Indeed, education has become a means of Cuba's international diplomacy with developing countries, both in sending teachers abroad to more than 40 nations and in absorbing foreign students. This is especially the case with poor African countries with which Cuba, because of its Afro-Caribbean culture, identifies strongly.

In addition to these special schools, foreign students attend polytechnics, teacher training colleges and Cuban universities. There are around 30,000 of them in all at an annual cost of $40m. The Cubans provide everything from the uniforms, textbooks and travel costs to food and pocket money of $5 a month. Although done in the name of third world solidarity, clearly the Cubans believe they are investing in future leaders sympathetic with Castro's Marxist-Leninist world view. Jose Ramon Fernandez, the Education Minister, says: "We don't seek to indoctrinate the students but, of course, we do give them the example of our society."

The foreign schools on the Isle of Youth provide secondary education with the unique characteristic of being divided exclusively by nationality. (The seven Angolan schools with 3,581 pupils, and four Mozambiquan schools with 2,231, are the largest contingent). They follow the basic Cuban school curriculum and are taught by Cubans in the core subjects of Spanish language, maths and the sciences. However, they are taught their own history/culture and language subjects by teachers of their own nationality unless there is a prior agreement with their respective governments.

In theory the pupils arrive, aged 12-13, to spend up to five years although, in practice, the ages often tend to be older. (Some of the Nicaraguans have missed several years' schooling through serving in the army and militia). Many of those that come are the orphans of third world conflicts such as southern Africa. All start with six months' intensive Spanish teaching, accompanied by rigorous health check-ups. "We are particularly proud of the way we take in students who have often never had proper health care. Very quickly, with good nutrition and careful medical attention, they become healthy," says Medina.

Each school has a full-time resident doctor, while special clinics for dentistry are shared. There is one special school, in the main town of Puerto Gerona, for pupils with particular health problems. As with their entire population, the Cubans are especially rigorous about AIDs checks. Otherwise, the schools are sited in the countryside to a standard design, accommodating up to 600 boys and girls in two four-storey pre-fabricated blocks that contain both classrooms and dormitories. The only individuality comes from the ethnic difference of the inmates and the way they are encouraged to develop their own cultures; one of the two Nicaraguan schools has a large clock laid in stone in the courtyard showing the time when General Sandino, the Nicaraguan national hero, died.

National cultures are encouraged through fiercely-competitive development of folklore displays. The stars here are the Namibian contingent; its display of war dances and patriotic songs has been seized on by Castro to show visiting dignitaries in the wake of the recent international agreement over Angola and Namibia. The other cultural extreme is the North Korean school, which specialises in what seems a sophisticated electronic version of Chinese opera. The presence of this school, the most recent addition, breaks the developing country norm and shows Castro's quixotic diplomacy at work; it was established as a result of personal contacts between him and Kim Il Sung, the North Korean leader, who was apparently anxious his subjects should learn Spanish.

The countryside location is deliberate and conforms with an essential element of all Cuban education: study and work. Half of each school works for three hours during the morning in the surrounding fields while the others study; then, after lunch the process is reversed. "We believe it important that the students should learn the value of work and the nature of the production process," says Raymondo Gonzalez, director of the Hendrick Witbooi school for Namibians.

Every school throughout Cuba follows this line, and even those in the cities send pupils for 45 days' work in the countryside each year. Ideological considerations apart, this enables maximum use of classroom space and allows student-teacher ratios to be kept low. There is also an acknowledged economic motive: the Isle of Youth schools, as elsewhere in rural Cuba, either cultivate their own farms to ensure a degree of self-sufficiency or are involved in specific agricultural projects.

The Isle of Youth is ideal for citrus – tropical oranges and grapefruit - with more than 11,000 hectares under cultivation. The students provide the basic labour for harvesting, irrigating and cleaning the citrus groves. Although this labour is inefficient, development of the citrus industry has evolved entirely around it. Indeed, the combination of scarce foreign exchange and labour means that expansion of the industry is conditioned largely on the ability to tap student help through the introduction of more schools.

Cuba's citrus industry – which is a growing source of hard currency exports – depends heavily upon such school labour. The biggest citrus project in Cuba – at Jaguey, two hours from Havana – relies on 63 weekly boarding schools to help run the 48,000-hectare plantation. Meanwhile, the construction industry relies heavily upon "volunteer" labour (workers seconded from normal jobs or people who work free extra hours in construction mini-brigades), and at least 15 per cent of sugar harvest workers come from the military or unions.

The daily routine at the international schools is rigorous and reminiscent of Castro's own strict Catholic school upbringing. The pupils are up by 6 am with a programmed timetable through to almost 8 pm during week-days. Despite this, the school directors seem humane and in close touch with their charges, who talk freely and enthusiastically about their schooling. For discipline, the Cubans rely on the self-motivation of the students; this is high since they are reminded constantly of their privileged position vis-a-vis their compatriots. Meanwhile, the school authorities treat with complete openness the sexual problems that arise, including abortion (which is practised where necessary with the assent of the pupil's government and family).

Because all Cuban schools are locked into the work/study principle, annual holidays are limited to the months of July and August; this ensures both maximum use of student labour and allows time lost through work to be recovered through long terms. However, the Cubans began the schools' scheme with the idea that foreign students could return home every two years. This quickly proved too costly; now, only four per school earn a free passage home through merit each year. The rest stay on, going to other schools or holiday camps throughout Cuba. Indeed, the vast majority of those in the schools now stay in Cuba throughout the five-year period of secondary education; and, if they qualify, they stay on for further periods of higher education.

Clearly, the teachers are proud of bringing together under one roof people who often have differing tribal and ethnic groups, with different dialects or languages, and turning out healthy bi-lingual students. At a broader level, the usefulness of this scheme goes unquestioned simply because the foreign schools are so close to Castro's heart. However, the international climate has changed considerably since the scheme was conceived. Liberation wars are drying up and Castro himself is no longer promoting revolution; rather, he is courting bourgeois governments, especially in Latin America. Meanwhile, the need for friendly third world votes at the United Nations has diminished as super-power tension has declined.

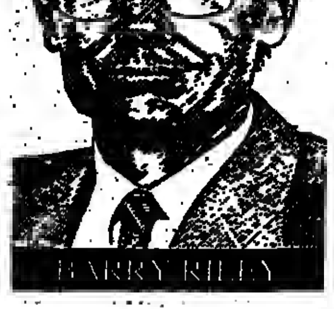
For Cuba, in a strait-jacket with its Western creditors and under closer accountability for some $3bn worth of aid it receives each year from the Soviet Union, the scheme in its present form looks ever more like an expensive luxury, especially when the foreign students lead a more privileged existence than most Cubans. To Western observers, it also seems a questionable use of scarce resources. "When ordinary Cubans have to put up with such basic living standards of abysmal public transport and an almost complete lack of choice in consumer goods, one has to wonder very seriously whether this is the sort of thing that Cuba should be involved with – even if Fidel demonstrates he is providing a valuable service to impoverished countries," says one foreign diplomat. Food stores, stocked thinly with miserable rows of repetitive products in unappetising jars or anonymous brown paper packets, indeed represent the other side of the coin whenever Castro shows off the Isle of Youth's achievements.

Finally, the existence of these unique foreign schools touches on the central paradox of modern Cuba: in an exceptionally short time, Castro has created the most educated population in Latin America – but also a state apparatus so stifling that there are few opportunities for exploiting such education. Thinking is regimented, the media controlled rigorously and the bookshops are filled with the hagiography of the Stalin and Brezhnev eras. Perestroika is an unpalatable phenomenon for a leadership that acts in the dual role of the regime's chief propagandist and sole permitted critic.

At the other end of the scale, Cuba is turning out a growing array of highly-qualified graduates whose skills cannot benefit the economy properly since there is not enough industrial and service back-up to take advantage. This state of affairs gives an odd twist to a saying of Jose Marti, the 19th century founding father of Cuban nationalism: "To be educated is the only way to be free."

The Long View

Playing the fool with exchange rates



People should be very careful over believing everything they read about what is happening on foreign exchanges, especially today

IT COULD NEVER happen in the FT, but this is the morning on which readers need to watch out for silly stories in their newspapers, such as items about the unusually heavy crop from spaghetti trees in Italy.

Beware, too, of obviously contrived tales about how the pound sterling has brushed aside a deteriorating balance of payments to remain steady against the Deutschemark and the yen. Who would believe that sterling had appreciated from DM3.12 to DM3.18 since last April Fools' Day? As for reports that long-dated gilt-edged yields have remained steady at just over 9 per cent while inflation has moved up from 3 to 8 per cent – well, surely nobody could be taken in by such imaginative nonsense.

Strange but true: in these cases the joke might be on us, at least for the time being. But another mischievous prank started to backfire rather quickly on its Treasury perpetrators this week. The Budget forecast of a balance of payments deficit of "only" £14.5bn for 1989 quickly began to look shaky as the February deficit turned out to be close to the recent monthly average of £1.75bn. That represents an annual rate of some £20bn.

In times gone by, such figures would quickly have led to a currency crisis. And yet, there was no more than a minor setback for the sterling markets on Wednesday: the equity market actually closed fractionally higher on the day. Presumably, no-one believes the official forecasts for the UK's balance of payments, so there is no real element of surprise when the monthly figures emerge. As for what happens if the trend fails to improve, the markets will presumably worry about that when the time comes – although one American forecaster was this week projecting a £45bn UK current account deficit in 1992.

It is tempting to conclude that the foreign exchange markets are becoming ever more short-term in their pre-occupations. They are overloaded with information, but this confuses rather than illuminates: how is the average forex trader supposed to know whether a monthly rise in US employment or consumer credit is good or bad for the dollar?

The traders, therefore, reason that what matters is not the trend in the fundamentals but merely how the authorities will react to particular announcements. The action by the Bank of England in defending sterling during February has convinced the markets that the currency is all but safe for the time being (although the sterling index was looking soft this week, and it is drifting further away from the 100 at which the Bank of England re-based it at the start of the year).

Exchange rates, it appears, are set in the short run largely by technical traders who follow the five-minute charts. The five-minute time span, I hasten to add, relates only to the individual plots; the charts themselves may extend over periods as long as a whole trading day. Markets can, thus, exist in a kind of fool's paradise for quite extended periods. Eventually, economic reality has to intrude, and when it arrives the adjustment can be sharp and nasty. But the day can be postponed.

All the same, this can only be a partial explanation. There must be a more systematic reason why, on the global scale, exchange rates are failing to adjust. The argument that the global trade imbalances are slowly correcting themselves, although just about tenable last year, plainly does not wash in 1989. The US trade deficit is unlikely to decline much, if at all, from last year's $140bn (or, say, $120bn on the new customs value basis). The Japanese current account surplus has stopped falling, at around $80bn, as has that of Germany, where the global capital investment boom has continued to push up export orders in manufacturing industry faster than bookings from the domestic market.

Plainly, the current account flows are being balanced by capital movements in the other direction. Germany, for instance, reported a current account surplus of DM85bn for 1988, but there was an overall deficit on capital account of DM120bn. Hence the weakness of the deutschemark.

Both Japan and Germany have savings surpluses which they cannot invest at home, and which are being recycled partly into industrial expansion overseas. The deficit nations are thereby relieved of the need to readjust and the world economic boom can continue merrily upon its way.

The limiting factor in the short run is the rise in global inflation, which has led already to general increases in interest rates; and, in the long run, the political resistance to growing industrial dominance by the surplus countries. How many Japanese screwdriver factories is enough? But for the time being these problems do not show up on the five-minute charts. And the reluctance of the Bundesbank to raise interest rates further has calmed a potentially turbulent situation.

It so happens that the G7 finance ministers have chosen April 2 rather than April 1 for their spring meeting, so we can take it a whole lot more seriously. But the markets do not detect any major conflicts of opinion among the participants – which, given the scale of the global disequilibrium, is perhaps a pity.

What does all this mean for the UK's policies? You might fear that, in the not-so-long run, the pressures could get distinctly uncomfortable. But you are reckoning without the statistical blip. Forget the recent published UK economic figures. Allowing for the under-recording of exports and the disappearance of invisible earnings into a statistical black hole – part of Earth's apparent $60bn deficit on trade with the rest of the Universe – there is hardly a problem at all. Just relax and wait for the 1995 Blue Book . . .

April Fool!

CONTENTS

FINANCE & THE FAMILY: THIS WEEK

How ace investor Buffett made another fortune

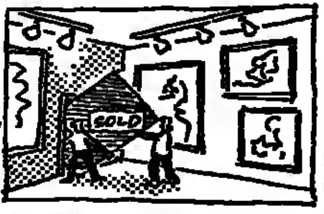
It was a real "man bites dog" story in the United States this week. For it was revealed that Warren Buffett, arguably the most successful post-war investor in the US, and revered for his Job-like patience in waiting for long-term market values to blossom, had actually made a great deal of money last year by speculating in take-over stocks. As **Rod Oram** reports, this was rather akin to Jimmy Stewart, the acme of gentlemanliness, admitting that he beat his wife. **Page III.**

Lump-sum pension doubts

Is choosing the option of taking part of your pension as a tax-free lump sum really the best thing to do? Most people go ahead without a second thought but **Eric Short** cautions that the issue, with its far-reaching consequences, is not as simple as it seems. **Page V.**

Live within your means . . .

Many people who decide to start their own business make the mistake of being over-ambitious. There is much to be said for choosing an enterprise that needs only minimal quantities of cash, equipment or materials, says **Roy Hodson. Page VII.**



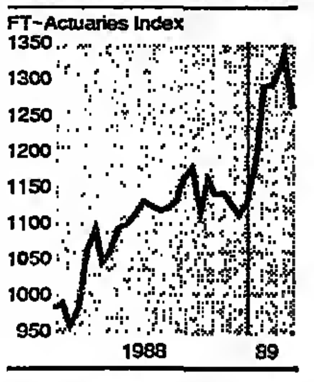
Miras problems remain

When preparations were being made to introduce mortgage interest relief at source (Miras) in 1983, all the evidence suggests that its detailed application to UK non-residents did not engage the close attention of the parliamentary draughtsman. As a result, problems of interpretation have emerged and this seems to be happening again in two areas: lettings, and people living in job-related accommodation overseas. **Donald Elkin** examines the implications. **Page VI.**

■ **Briefcase: Your problems answered: Page VI.**

Brewers & distillers

FT-Actuaries Index



United Newspapers

Share price relative to the FT-A All-Share Index

Brokers wary of brewers

Brewery stocks clambered gingerly to their feet after the previous week's blows from the Monopolies and Mergers Commission and European Community. The Big Bang restructuring of the industry recommended by the MMC began to shift into focus. Investors weighed up whether Bass's sheer size in the UK brewing market would be more of an advantage or disadvantage if the MMC recommendations were implemented. On the other hand, Guinness, Allied-Lyons and Grand Met would be hurt less by shocks at home.

Scottish and Newcastle, whose takeover bid by Elders IXL had been blocked, bumped along at a price some 32 per cent lower than a month ago. Some even began to think of it as a recovery stock. Curiosity over where EC investigations might lead added a further note of caution to dealings. Such uncertainty discomfits the City, and most brokers remain wary of the sector. *Daniel Green*.

A predator for United?

United Newspapers' profits were inhibited by the tough trading environment for national newspapers and the failure of Extel Sports to challenge live televised horse racing services. Profits reported on Thursday were £107.73m in 1988, a 13 per cent gain on the previous £95.61m. According to Lord Stevens of Ludgate, the chairman, reductions in staff, and the building and equipping of new production centres in Manchester, Broughton and the London docklands, will continue and United expects to save £40m in costs this year. The figures did little to dampen rumours in the City that a predator for United is lurking. *Heather Farmbrough*.

Minorco presses ahead

Minorco, the South African-controlled investment company, is pressing ahead with its £3.2bn hostile bid for Consolidated Gold Fields in spite of the US court injunction which prevents it buying any more shares in the UK diversified mining company. Minorco already holds nearly 30 per cent of Gold Fields. It is hoping that by the final closing date on April 25, it will have enough acceptances to take its shareholding in Gold Fields above 50 per cent - providing it is permitted to take up the shares. *H. F.*

Mortgages for the mature

The latest mortgage offer to the mature houseowner/housebuyer comes from the Yorkshire Building Society. Available to borrowers over 50, it follows the usual format of an interest-only mortgage, with flexible repayment that can run until the property is sold or the borrower dies. Interest is charged at the society's base rate, now 13.5 per cent, if the loan is being used to buy a property, or an extra 0.5 per cent if the borrower is merely unlocking some of the capital value of his existing house. The maximum loan is based on a limit of three times the actual or likely annual retirement income. *Eric Short*.

LONDON

Determined attempt to be cheerful

PERHAPS IT was the scent of summer in the air. Or perhaps the Easter break gave time for reflection. Whatever the cause, the London stock market seemed determined to take a surprisingly cheerful, longer-term view last week.

At face value, there was a good deal which could have perturbed dealers. The shortened week kicked off with a CBI survey which offered only partial comfort, while the all-too-familiar spectre of trade figures – in this case, for February – hung over the market. When these emerged on Wednesday morning, the sight of the third worst deficit on record was scarcely grounds for jubilation.

Company results, too, remained a rather mixed bag. On the one hand, there were plenty of examples of healthy earnings growth during 1988, and dividend increases which more than matched. On the other, the sporadic warning noises about current and future propsects as the high interest rate policy takes its toll on customer demand, continue to be voiced.

But, in its present mood, the market's obsession is with inflation, and its dominating though that interest rates may need to go higher still. Such gloomy soundings, if scarcely helpful to the share prices of the individual companies making them, still do little to depress sentiment on a macro-level. Rather, they serve to encourage the view that the Chancellor's medicine is taking effect, so additional doses need not be applied.

Moreover, the market took a measure of cheer from the willingness by central banks to intervene on the foreign exchange markets, principally with the aim of checking the dollar. Ahead of the G7 meeting this weekend, there was a spreading belief that Britain's domestic authorities will try to hold the line on interest rates, and that the US will at least move cautiously. This factor alone did much to encourage the underlying good humour.

Nevertheless, this underlying bullishness could not prevent a few significant hitches – some of them technically-inspired – along the way.

Admittedly, the first trading session was largely trouble-free. As dealers returned from their extended weekend, they confronted a CBI survey which, on the one hand, gave some encouragement in terms of the desired slowdown in inflation and output growth but, on the other, did little to suggest much immediate improvement on the export front.

Still, at least the initial part of the message was fairly welcome to the City. Moreover, there were some additional, "special situations" to help matters along: the recovery in the Consolidated Gold Fields share price, as bidder Minorco made clear its intention to fight on despite its set-back in the US court, for example, plus a degree of bounce-back in the brewery sector (still digesting the Monopolies and Mergers Commission report). So, in extremely thin trading - SEAQ volume amounted to a mere 340m shares on Tuesday – the FT-100 Share Index bounded forward 13.5.

But on Wednesday, a rather more formidable obstacle, trade figures, had to be negotiated. Pundits had been hoping for a current account deficit of perhaps £1.4bn-£1.6bn, although the upper end of the range of forecasts did run to about £1.8bn. In the event, the pessimists proved to be more accurate: the current account deficit rolled out at £1.7bn and while the balance of trade deficit stood at £2.2bn.

The initial response from the equity market was grim, and Footsie tumbled by almost 14 points at one stage. But it took remarkably little time for dealers to recover their poise. By the close, Footsie was even showing a modest 1.2 gain.

Taking a more measured view, many analysts have decided that there were at least some crumbs of comfort to be had in the figures. The bulls point out that import volumes – down by more than 5 per cent – do appear to be cooling off. True, export volumes were down by a somewhat larger amount. But, then again, the picture was distorted by erratic items. Strip these out and, as County NatWest Woodmac puts it: "The underlying trends are reasonably encouraging."

But if the trade figures did rather less damage to the market than might have been expected, there were more problems on Thursday, when Footsie ended the day more than 22 points lower after losing some eight points in the final hour. Part of this apparent shift in sentiment was attributed to technical factors.

But the TSB, the high street banking group, also played a part – reminding investors of the commercial/industrial problems which current interest rate policy is inflicting. At the bank's annual general meeting, chairman Sir Nicholas Goodison warned shareholders that first half profits would show a fall. In response, TSB shares declined by over 8 per cent to 118p.

Sir Nicholas Goodison

But by Friday, this too had been shrugged aside, and the market was refocussing on its hopes for interest rate calm and a pleasantly soft landing for the economy. By mid-afternoon, Footsie had recovered 20 points at around 2,070.

Perhaps a further factor helping to boost the market last week was revived activity on the takeover front. Much of this was concentrated in second line situations. But round at kitchen furniture group Magnet the sums were chunkier; the lengthy management buyout bid negotiations have finally crystallised into a £630m offer. Whether that is cause for shareholder pleasure is another matter. The tide of mbo bids, prompted largely by the depressed equity market level in the wake of the 1987 crash, has already raised uncomfortable issues – in particular, the unfair advantage which management has in the pricing of such offers and, conversely, the question of investors' time horizons.

Magnet looks like being no easier. While non-executive directors are recommending the offer in the absence of any higher bid, advisers Kleinwort Benson are simply suggesting that shareholders give serious consideration while warning that the offer may not fully reflect growth prospect. The easiest thing would be for a rival, higher bidder to get everyone off the hook. But Magnet's share price – 305p against the 300p the management is offering – does not appear to be betting on it very heavily.

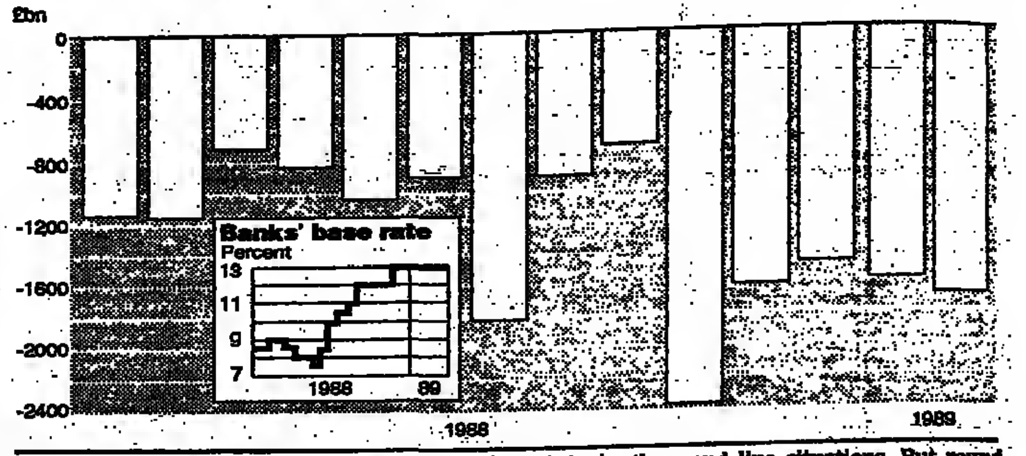
Meanwhile, it was left to Tiny Rowland's Lonrho to give the City its splash of drama last week. The House of Fraser saga has not wanted for fireworks – but injunctions on the publication of leaked a DTI report are a novel twist. That this particular story will run and run must be a certainty.

Nikki Tait

HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1989 High	1989 Low	
FT Ord Index	1707.9	+9.5	1761.1	1447.8	International economic pointers.
AMI Healthcare	374	+26	409	242	Leveraged buy out stories.
Addison Consultancy	41½	+7	41½	28	French co. buys near 15% stake.
Alida Hldgs.	295	-62	360	295	Thinly veiled profits warning.
Beazer	198	-14	225	178	Contracting caution overshadows figs.
Burmah	545	-22	578	480	Preliminary figs discounted.
Cable & Wire	486	+34	495	365	Rumoured Mercury float.
Hall Engineering	513	+33	513	388	Persistent buyer in thin market.
Keep Trust	480	+147	485	280	Bid approach.
Magnet	308	+20	313	178	Management buy out at 300p a share.
Rainers	212	+13	217	170	Buying ahead of expected good figs.
Scottish & Newcastle	307	-7½	449	300	More selling after Elders bid blocked.
TSB	117	-9	133½	107½	Chairman warns of lower profits.
Unigate	349	+18	368½	328	Irish stakebuilding speculation.
Unitech	348	+55	348	191	Takeover spec. Analysts visit soon.

UK current account



WALL STREET

Reagan theme gets the axe

THE FIRST disquieting signs of speculative excess are creeping back into the trading on Wall Street. There is the wave of take-overs, announced and merely rumoured, in the US airline industry – a highly cyclical business that is experiencing classic top-of-the-market conditions, including not only record profits but also rapid growth in operating costs, unquestionable capacity constraints and intensifying labour militancy.

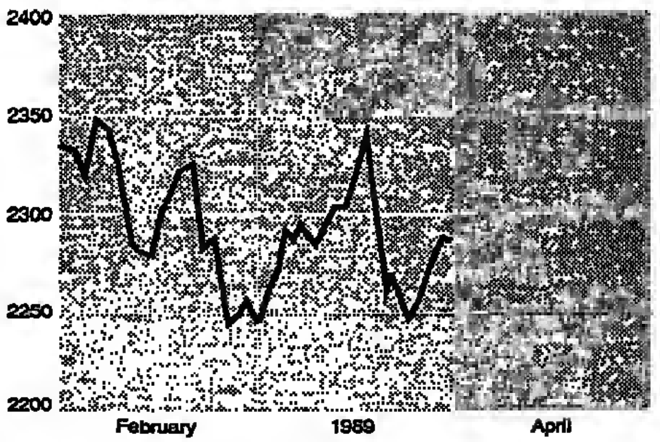
The airlines – led by NWA Inc., which received a $3bn bid of questionable plausibility on Thursday night from Marvin Davis, the West Coast oil and property billionaire – have pushed the Dow Jones Transportation Index, a key market barometer, up by 4 per cent since the middle of last week.

NWA's share price has jumped 50 per cent in one week, which could perhaps be rationalised by the possibility that the company might be about to liquidate its substantial property holdings in Tokyo whether or not it is taken over. But it is hard to see why this should boost the prices of all other companies in the sector.

Then there is is the surge in major bank stocks, which has taken the Dow's sectoral index for money centre banks up by 14 per cent since the beginning of March. However, the main force behind the sudden fad for money centre bank stocks has been the announcement of a new plan for third world debt by Nicholas Brady, the US Treasury Secretary. This is evidenced by the contrast between the big banks' stratospheric stock-market performance in March and the much more subdued gain of around 4 per cent in regional banks.

Unlike the money centres, which still have well over 100 per cent of their average shareholders' funds exposed to the third world debt problem, the regionals have written off or sold almost the whole of their developing country loans.

Dow Jones Industrial Averages



Yet, the stock markets' interpretation of the Brady plan's implications flies in the face of every signal coming out of Washington, to say nothing of Latin America itself. First, of course, the recent rise in short-term interest rates and the indications of some deceleration in US economic growth are unambiguously bad news for the Latin American debtors, and, therefore, for their creditors as well.

Even more strikingly, officials at the US Treasury, the International Monetary Fund and the World Bank are hinting strongly to anyone who cares to listen that if the Brady plan gets off the ground (which Brady himself admits is a big "if"), it will involve the banks accepting much larger discounts on their loans than the 20 to 30 per cent reserves they have so far provided.

The main innovation of the Brady plan (as it is being described at background briefings in Washington) is that it finally abandons the central theme around which the Reagan administration and the Federal Reserve Board orchestrated the industrialised world's whole approach to the debt crisis – the idea that forcing US banks to give Latin America debt relief by slashing their own reported profits would somehow trigger an international financial crisis and threaten economic prosperity around the world.

It will be very interesting to see what happens to the money centre bank stocks if some of the more outspoken finance ministers attending the IMF interim committee meetings in Washington this weekend begin to spell out this message in more explicit terms.

To judge by the recent behaviour of the world's financial markets – not only Wall Street but also the US bond market, the foreign exchanges and the resurgent stock exchange in Tokyo – the likeliest response will be blind optimism of the "all news is good news variety." Indeed, the indications of speculative excess are now much stronger in the currency and bond markets, to say nothing of the Japanese stock market, than they are on Wall Street itself.

Against the background of the other financial markets, Wall Street looks like the epitome of sobriety and excessive caution, despite the pockets of speculation in certain industry sectors. As we have often argued, there could well be another 10 per cent or more to gain before US stock prices reach a decisive top. But with the increasing imbalances again being built into international financial conditions, another downleg of the bear market becomes more likely all the time.

Monday	2,257.87	+ 14.82
Tuesday	2,275.54	+ 17.68
Wednesday	2,281.52	+ 5.98
Thursday	2,281.34	– 0.18

Anatole Kaletsky

JUNIOR MARKETS

Companies that go into reverse

HITCHING A LIFT from an old wreck of a business might not seem one of the more dignified ways to get onto the stock market. Yet, the use of "shells" – whereby entrepreneurs reverse their business into a moribund quoted company – has plenty of exponents. This month, the CCS Group (formerly Bluemel Bros) and The Property Company of London (formerly House Property Company of London) seem likely to join their ranks.

Apart from rather lower flotation costs, the chief benefit of the exercise tends to be extra publicity. If CCS had taken a more conventional route onto the USM, it would – as a building services group valued at about £2m – be noted for little more than its diminutive size.

As it is, however, CCS has assured itself some fame by taking on the mantle of Bluemel Bros, a Coventry cycle and motor accessories group. Despite the attentions of a company doctor and a rescue package, the loss-making Bluemel wobbled downhill throughout the Eighties until, in 1985, receivers were called into two subsidiaries and the shares were suspended.

The chairman, Bijan Sedghi, who also heads Bromsgrove Industries, the mini-conglomerate, sold the remaining assets and (with £600,000 in the bank) undertook to hunt down some new interests for the group. But the search for suitable candidates proved a slow one and the frustrations of Bluemel's 1,500 shareholders mounted. As a result, the company's financial advisers called an extraordinary meeting last September to ask shareholders if they wanted the business to go into voluntary liquidation.

In the event, they decided to continue to search for a new business, which gave Derek Griffiths, CCS's chief executive, an opportunity to offer his company to the group. The deal was approved at an extraordinary meeting on Wednesday and dealings are expected to start on the USM this Thursday.

Four days later, dealings are due to begin in The Property Company of London. This also stems from a fully-listed company which hit bad times. It departs, though, from the classic shell pattern in that Robert Baldock, an Australian entrepreneur, has been involved with House Property Company for a year trying to put together a take-over deal.

The plan to acquire a company specialising in golf course development is billed as an attempt to rescue the business from potential bankruptcy. The acquisitions cost a total of £10.5m in shares and, as a result, the vendors – who are on the enlarged board – will own or control 93.5 per cent of the equity.

The deal illustrates one common grouse amongst shareholders in shell companies who are often irritated to find that the new management team is offered shares at a significant discount to the market price. In this case, the new shares are being issued at 87p, which compares with the market price of £4 prior to the suspension in February. Some discount is generally necessary, however, just to entice new businesses into the company.

The enthusiasm of the market for these newly-converted shells remains to be seen. With the gloomy view of property-related companies invoked by high interest rates, the reception given to both debutantes could be slightly muted.

If so, it will break with one tradition of shell companies – the fantastic gains made by shareholders on the back of high expectations of a new management team. Witness Acsis, a troubled jewellery company which chalked up a 650 per cent advance in 1987 after Darryl Phillips, a South African entrepreneur, moved in with plans to take it into the marketing services industry.

Not surprisingly, shell fever proved to be very much a feature of the bull market. When share prices collapsed, reducing managements' ability to raise money for deals, the future of the newly-converted shells seemed rather bleak.

But, so far, the verdict on these companies has been mixed. The greatest challenges have been encountered by companies which moved into the former glamour sectors of finance and property. Take, for example, York Trust, the financial services group, which recently announced a sharp fall in interim profits and the closure of the personal finance business it bought in October 1986.

It is not all bad news, however. Despite the difficulties of the post-crash environment, Acsis appears to have carried off a fair bout of expansion, having bought 13 new businesses since the start of 1988.

So, the latest batch of newcomers will find that the willingness of shareholders to finance deals for fledgling businesses has not dried up altogether. Undoubtedly, however, they will have to be more modest and discerning in their proposed deals than the shell companies that flourished before October 1987.

Vanessa Houlder

Fanfare for Fleming trust

AT A time when everyone quite understandably seems to be pushing Personal Equity Plans, Fleming Investment Management is launching a high income investment trust instead. A fair amount of fanfare is accompanying its first launch since 1972.

The new trust fills a gap in Fleming's product range. Curiously the biggest player in the UK investment trust market, with £1.8bn under management, has never had an income fund before.

This seems even more remarkable in the light of a recent study published by County NatWest WoodMac, with which regular FT readers will be familiar, called "Time for an Incomes Policy?", suggesting that income growth trusts and portfolios chosen on the basis of yield have, in recent years, tended to perform better than average.

Well, they should know – they are stockbrokers to the issue. Income funds have outperformed over certain periods – but like all performance figures it rather depends on when the performance period starts, as well as the thornier question of what constitutes an income fund.

Income funds do however have their attractions which, unlike sexier products such as technology funds or overseas earners, remain constant rather than fashionable one day and out of fashion the next.

Not only is there a constant, and all things being equal, stream of income, but there is the prospect of good capital growth as stocks which were down and out or lowly rated, come back into favour.

That is the theory. The test of a good fund manager is to select the stocks which have a high yield, will appreciate, and will continue to pay a gradually increasing dividend, rather than those which have a high yield merely because they are no-hopers. "Quality" income stocks include blue chips such as Shell, BP and Barcleys Bank.

But income fund managers also have a tendency to get ensnared in their quest for an ever increasing dividend payment. However committed managers are to producing income growth, there is always a temptation to look over their shoulder and go for capital performance too.

The trouble is, the two don't always go together and fund managers occasionally have to reduce the distribution. This could provide fatal for an investment trust in the current climate where vulnerable investment trusts are liable to unwelcome takeover bids.

Fleming has set itself a difficult target. It intends to be the third highest yielding UK investment trust, with a starting yield of 7 per cent, compared with that on the Financial Times Actuaries All Share of 4.2 per cent, and the objective that the yield will always be at least 150 per cent of the index.

To maintain this yield, up to 35 per cent of the fund may be invested in convertible debt and convertible preference shares.

This could affect its performance adversely – although it should be remembered that the fund's main objective is to produce income rather than capital performance. The managers also say that the proportion of convertibles could come down.

The convertible element is something of a mixed blessing at the moment as it prevents Fleming from selling its new trust as a PEP. Unit and investment trusts must currently have at least 75 per cent of their assets in UK equities in order to qualify for a tax free exit.

"We are waiting to get clearance from the Inland Revenue as to whether a fund with this proportion of convertible stock will be eligible," says Adam Fleming, trust chairman. As convertible shares are simply deferred equities, there is a strong case for making them so.

For the time being, Fleming is hoping that comparatively low management charges – an annual rate of 0.5 per cent – and the possibility to take advantage of pound cost averaging through one of its savings plan, will be enough to draw investors in to the trust, as well as a quarterly payment. Indeed, the company says that around 75 per cent of the £25m offer has already been subscribed through stockbrokers.

Its research also suggests that the exceptionally high yield should inflate the discount or premium, rather than imposing too much of a burden.

The happy experience of the Glasgow Investment Trust, another high income fund, which was launched a year ago and is currently standing on a 10 per cent premium, with a seven per cent yield, suggests this may be true.

After seven years, it will be possible to wind up the trust. Fleming is offering 25m ordinary shares at 100p with warrants attached on a one for five basis. These confer the right to subscribe for one ordinary share at 100p on August 1 between 1993 and 1996.

The offer closes on April 12 and trading is expected to start on Wednesday April 19. The minimum application for shares is £1,000.

Hamish Buchan, the County Investment trust guru, argues it is the "ideal vehicle for the first time investor in UK Ltd – much better than buying one or two privatisation issues." Perhaps this is so. But the first time investor would surely do well to wait until it is clear whether the trust could be included in a PEP.

Quite why Fleming did not wait until knowing whether the trust could be part of a PEP is mysterious. The least charitable explanation is that it is another example of the conservative thinking for which the industry is known, and which is making it so vulnerable to aggressive take overs. Another explanation is that it is a good product in the investment trust market and will sell well without being part of anyone's PEP.

Heather Farmbrough

FINANCE & THE FAMILY

Rod Oram on a year when famed US investor Warren Buffett turned to arbitrage

A safe player changes his style

AS FINANCIAL confessions go, it was a real "man bites dog" story that investors found this past week in the most eagerly read annual report of any US company.

Warren Buffett, revered for his Job-like patience as he waits for long-term market value to blossom, revealed he made a bundle of money last year as a speculator in takeover stocks. It was as if Jimmy Stewart, the paragon of the American gentleman, had admitted beating his wife.

Arguably the most successful post-war US investor, Buffett's uncanny ability to spot stock values have brought him fame and a multi-billion dollar fortune. He has to go to great lengths to cover his tracks in the markets. One whiff that Buffett is buying is enough to send a stock through the roof.

Only once a year does he expound on his investment philosophy in the annual report of Berkshire Hathaway, his publicly traded holding company. In a long, cogent and wry chairman's letter to his shareholders he sheds wit and wisdom on some pressing issues: This year he demolishes the efficient market theory and explains the perils of trying to force down insurance premiums by such measures as California's recent referendum.

Warren Buffett: moving back to long-term propositions

But the reports are not just an intellectual outlet for Buffett. They also contain perhaps the most honest and insightful operational appraisal from any company. And the chairman always delights in attributing another successful year to his friends – the managers of Berkshire Hathaway's main businesses: insurance, newspapers, furniture retailing, encyclopedias, vacuum cleaners, uniforms and candy.

In the past year those "Sainted Seven" generated pre-tax earnings for Berkshire Hathaway of $313.4m, up from $214.7m, despite difficult trading conditions. As a group, they earned a 67 per cent return on average equity employed. While the operations men were excelling themselves in their plants, so Buffett was in the markets. Arbitrage of takeover stocks earned Berkshire Hathaway pre-tax profits of $78m on average invested funds of $147m.

He arbitraged last year because there was little he fancied for the long term. His two main accumulations were common stock of Coca-Cola and preferred stock of Federal Home Loan Mortgage, a quasi-government entity that buys home mortgages from lenders and repackages them as asset-backed securities.

Unlike the frenzied arbitrageurs of Wall Street, Buffett is highly selective, buying into only a few announced takeovers which stand a good chance of being consummated. The main example last year was the leveraged buy-out of RJR Nabisco, the food and tobacco group. In less than two months he earned $64m pre-tax on a stake of $281.8m.

He promises to mend his ways this year. He has funnelled a lot of the group's cash into long-term propositions such as the Coca-Cola stake, now worth over $1bn. But, he writes, "even if we had a lot of cash, we would probably do little in arbitrage in 1989."

The game is just too popular. "With acquisition fever running rampant, most anti-trust challenges non-existent, and the bids often ratcheting upward, arbitrageurs have prospered mightily," he adds. In Wall Street the old proverb has been reworded: "Give a man a fish, and you feed him for a day. Teach him how to arbitrage and you feed him forever." (If he studied at the Ivan Boesky School of Arbitrage, it may be a state institution that supplies his meals.)

He will now steer well clear because the risks are getting too great. "We have no idea how long the excesses will last, nor do we know what will change the attitudes of government, lender and buyer that fuel them. But we know that the less prudence with which others conduct their affairs, the greater the prudence with which we should conduct our own affairs."

By such diligence, Buffett has increased the book value of Berkshire Hathaway by an average rate of 23 per cent compounded annually since he took control 24 years ago. Per share, it has grown from $19.46 to $2,974.52. Last year's performance was only a few percentage points below trend.

His continuing success and enduring appeal to investors is told simply in Berkshire Hathaway's share price. It has doubled since the October 1987 crash to around $5,000 and is up 20 per cent from its all-time high. The Dow Jones Industrial Index, in contrast, has risen only 31 per cent since the Crash and is some 16 per cent below its record.

Umbrella casualty

ONE of the first casualties of the Budget changes to the tax status of offshore "umbrella funds" is Schroder Global Trust.

Prompted by a £100m bid last month from a smaller trust, British Empire Securities, Schroder Global planned to offer shareholders the chance to take a minimum 98 per cent of underlying net asset value either in cash or in shares in a new Luxembourg-based "umbrella" company. The company would have had five sub-funds, and shareholders could have switched between these without incurring capital gains tax.

Faced with this more attractive exit option, shareholders failed to support the BES bid and it lapsed in early March.

But the Budget changes have put paid to the possibility of CGT-free switching, and Schroder Global is now replacing the umbrella fund idea with a straight unitisation. Shareholders will be able to convert their shares in one or more of three unit trusts: Global Equity Unit Trust, Overseas Smaller Companies Unit Trust, and Gilt Unit Trust.

Some shareholders may not be too distressed at the change. Those who simply wish to cash their holding are still expected to realise at least 98 per cent of the underlying net asset value, says Schroder Global.

Schroder Investment Management, which handles the trust, may not be too distressed either. Schroders has already signalled its intention to remarket unit trusts under its own name from next October, and an early boost to funds under management in this area cannot be unhelpful.

The tale behind this marketing plan is a trifle complex. Schroders sold its retail investment interests, including its unit trust arm, to National Mutual of Australasia in 1986 for £99m. These were subsequently marketed under the NM Schroder name, with Schroders retaining a three-year management contract on the trusts. Now that this due to expire in October, Schroder plans to launch retail products under its own name.

In the meantime, Schroders has already built up some trusts under the SIM name, although it has not been free to market these publicly.

Nikki Tait

Payments rise

INVESTORS with regular premium life policies, both traditional and unit-linked, taken out on or before March 14 1984, will find their premium payments rising from next week.

The life companies are not putting up their rates or charges, but there is a reduction in the tax credit given to these premiums.

This credit, known as LAPR (Life Assurance Premium Relief) was abolished in the Chancellor's 1984 Budget, but retained for contracts taken out on or before Budget Day.

Under this system, the investor pays the premium net of the tax credit and the life company claims the tax element from the Inland Revenue.

Traditionally, the tax credit is fixed at half the basic rate, but the Revenue agreed that if the tax rate changed it would give 12 months notice of the change in LAPR.

The basic tax rate was cut to 25 per cent last year, so from April 6 1989 the new rate for LAPR will be 12.5 per cent.

Until now LAPR has been kept at 15 per cent because the Revenue waived any reduction in LAPR when the basic rate was reduced to 29 per cent and then 27 per cent. At LAPR of 15 per cent, a gross premium of £100 became a net premium of £85. Now it will be £87.50.

Unfortunately many insurance companies are failing to give a proper explanation for the increase in net premiums, causing some confusion. However, in most cases the policy is worth retaining since it benefits from a tax concession that is no longer available.

Eric Short

IN THE NEWS

ONE FINANCIAL area where there has been plenty of activity since the Budget is PEP (personal equity plan) mortgages. John Charcol is now offering these as a way to repay loan capital. Funds are available from a number of lenders in the form of interest-only loans which are eventually repaid from the returns provided by monthly investment in a PEP of the borrower's choice.

Since the loan is interest only and lenders do not require the security of an insurance linked policy – other than a straightforward term assurance contract – a choice or combination of PEPs, unit trusts, investment trusts or pensions are acceptable as repayment vehicles. Current interest rates for the PEP scheme are 13.7 per cent, with income multiples offered of three times single and 2.5 times joint income.

Elsewhere on the mortgage front, Bristol & West has launched a "Carefree" mortgage at 12.5 per cent. This offers a discount of 1 per cent over 12 months on the Carefree endowment mortgage package, available on loans over £15,000. The building society is also relaxing its lending criteria for mortgage applicants who do not require more than 75 per cent of the valuation on a property. They will be able to borrow up to 3.75 times the main income plus the second income, if there is one, or 2.5 times the joint income.

Meanwhile, Bradford & Bingley has introduced a Startline Bridging loan facility exclusively for existing borrowers at the society's base rate, currently 13.40 per cent.

Household Mortgage Corporation has reduced its interest rate for new business on its Standard Mortgage Scheme from 13.75 per cent to 12.30 per cent.

PRIVATE client stockbroker Foster & Braithwaite, a subsidiary of Credit Commercial de France, is launching its first authorised unit trust, the F&B Selected International Growth Fund. The trust is designed for investors whose primary objective is long-term capital growth and who wish to invest part of their portfolio outside the UK. Gamma Advisers will be in charge of the fund's day to day investment decisions. Gamma, based in London, is a joint venture between CCF in Europe and New York Life Insurance Company in the US. The minimum investment will be £1,000 and the units will be priced at 50p over an initial three-week fixed offer period until April 21. There will be an initial charge of 5.5 per cent and an annual management charge of 1.5 per cent.

THE NEW chairman of the Unit Trust Association is John Fairbairn, who has been with M & G since 1961, as marketing director from 1974 to 1988 and as deputy chairman of M & G Group since 1980. He was educated at Eton and Cambridge and qualified as an accountant. Fairbairn has also been deputy chairman of the regulatory body Lautro since it was formed in 1986. He will replace the outgoing chairman of the UTA, Bill Stuttaford, on April 12.

AMERICAN EXPRESS has launched Worldwide Refund Delivery, a free courier service guaranteeing hand delivery of Travellers Cheques refunds almost anywhere in the world. Customers will be able to have their cheques hand-delivered simply by picking up the telephone.

BRITANNIA Building Society is to increase the interest rates paid on its two-tiered Trident Twelve account from April 3. Rates on the second tier are to rise by 0.25 per cent to 10.25 per cent a year (net) and the minimum balance is to be reduced to £15,000 from £40,000. Monthly rates are to rise to 9.8 per cent. For balances between £5,000 and £24,999, the interest rate payable will be 9.75 per cent net per annum.

STANDARD Life is introducing a 1 per cent discount on all unit trust sales, right across its portfolio of ten trusts, until Monday May 1.

R.J.TEMPLE'S High Yield Residential Properties Business Expansion Scheme is to stay open until April 21, and this could be extended. The late closing date is designed to straddle the current and new tax year. The average investment received to date is £5,230 although the minimum required is only £1,725.

BRITISH GAS has introduced a telephone news service for its 2.7m shareholders on 01-976-5678. The message covers the new gas tariffs and price schedules, and the payment of the interim dividend.

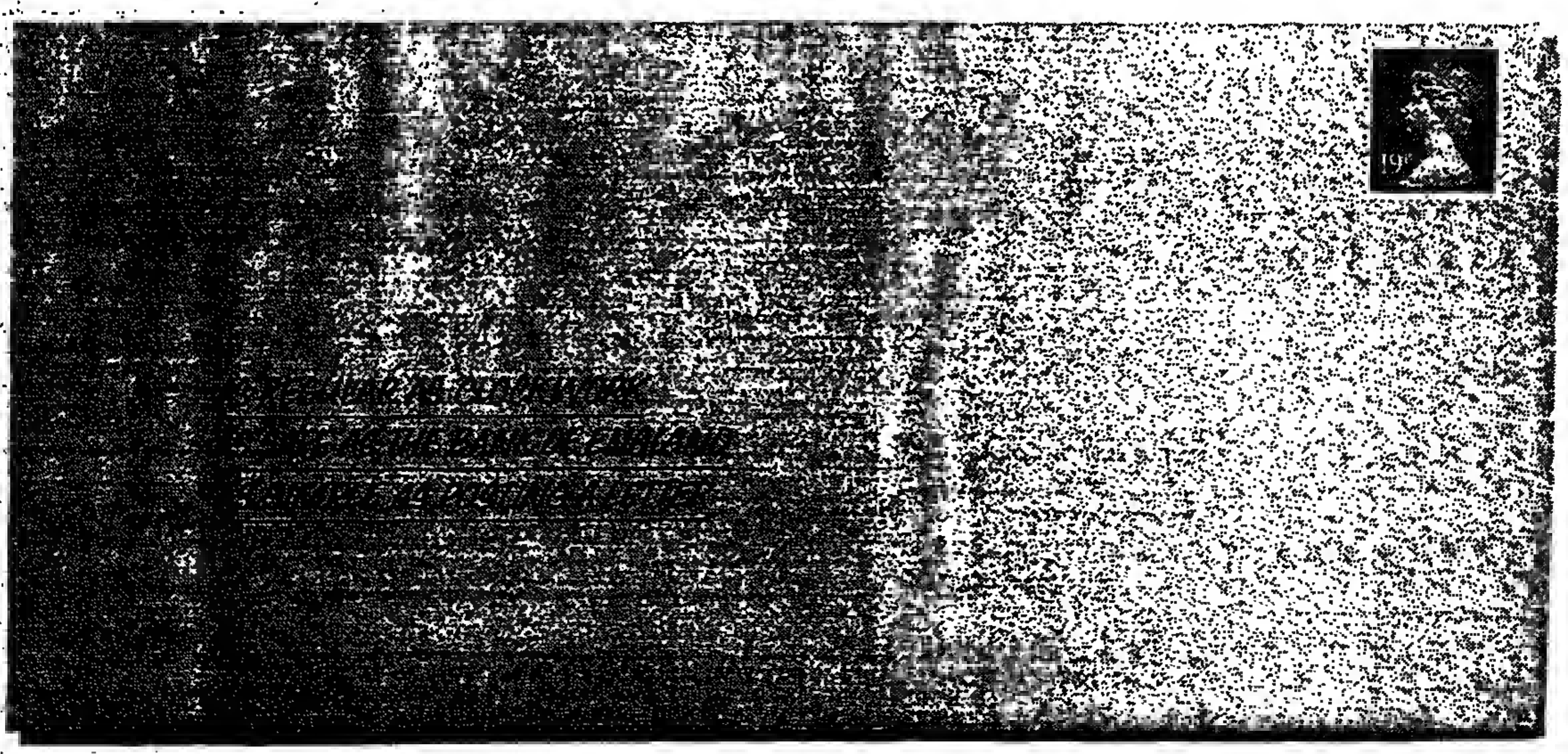
CHOICE Personal Finance lending operation has announced new rates of interest. Choice enables customers to arrange credit by telephone. It will now be lending at an annual rate of 18.8 per cent for personal loans, 15.6 per cent for a secured personal loan and 14.1 per cent for a first mortgage.

CO-OP Bank has launched a new interest-bearing current account linked to a Visa credit. The account, to be known as Ultra, will offer net interest of 4.5 per cent on balances up to £400, rising by stages to 9 per cent on balances over £2,500. Customers will be allowed to have overdrafts of up to £250 for three days in any month and without incurring transaction charges. Overdrafts for longer periods will incur a £6 fee and interest of 26.8 per cent APR.

NEXT time you are stopped by HM Customs and Excise and find you have no money to pay duty, you can whip out your Access or Visa credit and debit card and use them, providing you are at Heathrow or Manchester airports. The scheme will be reviewed after a trial period, and if the results are satisfactory, will be extended to other locations.

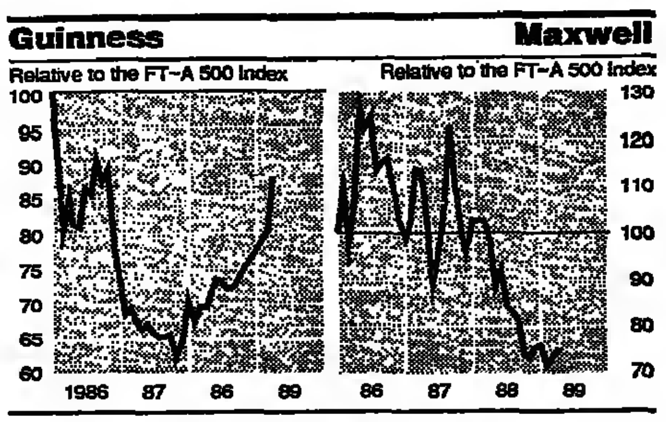
AS INVESTORS make last-minute subscriptions for BES issues, it looks as if a number of sponsors and companies will be disappointed. This means that a number of companies which only raise low minimum subscriptions will carry very heavy issue costs in proportion to the amount of money available for investment. According to BES Investment Research, assured tenancy prospectus issues are seeking to raise £418m but have only raised £199m so far. Shipping companies have raised £10.2m so far but hope to raise £29.7m. Trading companies are also underscribed, with only £4.8m of a £11.8m target raised.

Heather Farmbrough



FINANCE & THE FAMILY

Guinness's Anthony Tennant



Maxwell's Robert Maxwell

The Week Ahead

Figures that reflect ambition

TOWERING AMBITIONS and their effect on share prices show up in a couple of next week's biggest results. On Thursday, Maxwell Communications Corporation and Guinness are scheduled to produce reports for 1988; the stock market's perception of both companies has changed markedly in recent years.

After spending $3.35bn (£2bn) last year on the acquisitions of Macmillan, the US publisher, and Dun & Bradstreet, MCC has extended its official year-end by three months to yesterday. The digestive process is planned to include $2bn of disposals, of which $1bn had been made a couple of months ago.

However, Robert Maxwell, the group's chairman, has scared people by re-emphasising his plan to lift MCC's sales to between £3bn and £5bn by December 1990, against present estimates in the £1¼bn area.

MCC's shares are yielding 8.6 per cent and eyes will be on the dividend, rather than profits; the latter are estimated at £185m to £190m pre-tax for the 12 months to December 31, against a reported £166m in 1987.

It happens that Guinness extended its year-end in 1986, after it acquired Distillers. That bid got the company, its directors and its advisers into a great deal of trouble; but the share price now has recovered mightily over more than a year.

Analyst Michelle Proud, of County NatWest WoodMac, says the DCL acquisition was an excellent strategic move. The opportunities it offered are expected to show up in profits of £490m to £505m pre-tax, depending on whose estimate you choose, against £408m for 1987. She expects the "impressive" growth rate to continue with a jump to £600m in 1989.

Staying with the consumer market, Reckitt & Colman is expected to parlay strong management of its margins, very strong brands and cash flow into a rise in profits from £168m pre-tax in 1987 to £190m-plus last year.

Eyes will be on the consumer in the economic area, too, with February's final retail sales, and credit business figures due on Monday. The provisional sales figures showed a 2.5 per cent rise, worrying after a 2.4 per cent decline in January – which had been interpreted as a cooling-off in the consumer economy. Provisional and final figures have shown much variation in recent months, and the question is whether they are going to do so again.

Peter Spencer, of Shearson Lehman Hutton, thinks not. He says the January figures showed a very big downturn in sales of food, in part reflecting the salmonella and listeria scares, and that February showed a natural bounce back.

Pearson, parent company of the *Financial Times*, has been edging up to the £1bn turnover mark in recent years and should have passed it with ease in 1988. Charles Pick, of the Nomura Research Institute, holds to his earlier forecast that profits will rise from £152m to £181m on Monday. Harking back to MMC, this seems to question the relevance of ambitions expressed simply in sales terms.

For a really big rise in profits, readers are advised to turn to Sun Alliance on Wednesday. With 62 per cent of its premium income from the UK and Ireland, notes Trevor May of Nomura, the group is the most exposed of the big composite insurers to the home market and escapes the depressing downturn in the US underwriting cycle.

Excellent results from Commercial Union early in March have prompted some analysts to lift their estimates for Sun Alliance from the £355m-£360m bracket to the £380m level which Nomura had plumped for earlier. However, taking the average rate of return on UK business for the four big composites which have reported already – "it's not investment analysis, but it's relevant" – May gets a possible £400m total; he is also going for a 30 per cent rise in dividend to 40p a share.

Property stocks figure heavily next week, led by London & Edinburgh Trust on Monday. LET has shifted its emphasis, with the times, from merchant developer to investor; John Atkins, of Phillips & Drew, notes that it is very keen to build up its asset base and expects it to lift net asset value from 97p to 147p a share, along with a rise in profits from £35m to £50m before tax.

Associated British Ports Holdings, monitored by Richard Hannah of the same firm, is now a port operator/property development hybrid; and while pre-tax profits could rise from £38m to £46m when the results come out on Thursday, what people are really watching out for is the asset value.

Reflecting the company's hybrid nature, asset valuations for AB Ports have been approached in a number of ways by investment analysts. However, Hannah's "best guess" is that a conventional, full property revaluation would produce net assets of £6 a share against 227p in the books at the end of 1987.

Percy Bilton is a law unto itself. It tends to revalue some of its properties each year in neither predictable nor easily calculable fashion; and while the board has been "considering" a full external revaluation at the end of 1988, Atkins says there is a growing feeling in the market that this will not be forthcoming when the results come out on Friday.

The company's strength in the booming industrial property market could, thinks Atkins, take net assets per share up from 409p to 625p on a full revaluation basis. Profits come along more slowly at a time like this, and the estimate here is a rise from £14½m to £15¾m before tax.

Other big names reporting next week include OT&T, (Ocean Transport & Trading) and Eurotunnel. OT&T, once a shipping company and now a diversified transport and distribution group, hit problems in 1988. Difficulties in chemicals' storage and a mild winter that cut sales of heating oils could leave the company with profits down from £41.2m to £39m before tax.

Eurotunnel, not expected to make profits until 1993, will be expected to produce good news about digging rates and, probably, bad news about the effects of inflation and high interest rates on its costs.

William Cochrane

Yamaichi looks to the future

THE JAPANESE are well-known for studying a product, emulating and improving it. So it is not surprising that in the present phase of index fund launches by securities houses, Yamaichi has taken what it sees as the best features of existing funds and added a few refinements.

It is entering a difficult market. Japanese index funds are a fairly new idea, as it is much harder to track the stock market there than those in the UK or US. But fund managers cannot afford to be underweight in Japan. In the past three years, sterling returns from the Japanese market were significantly better than for any other major equity market; yet, over the same period UK pension funds reduced their exposure to Japan. The WM Company has estimated that by being underweight in Japan and not matching the index has cost UK pension funds 1 per cent in overall performance.

Yamaichi's Integrative Stock System (ISS) is designed, like others, to track the index but then to outperform it by a variable percentage, termed alpha. There are four elements to the system: the Capital Asset Pricing Model (CAPM); the Arbitrage Pricing Theory (APT); reclassification of industry sectors; and the input of current investment themes.

The first two elements are commonly used in constructing index funds and are used as a way to measure the sensitivity of different stocks to changes in stock market indices and wider issues such as oil prices, inflation, interest and exchange rates.

But Yamaichi claims that its approach is different because of the emphasis it places on current investment themes and its use of sector reclassification. Noriyasu Nakajo at Yamaichi says: "Japanese investors are not looking at current business conditions but at dreams. So we have looked at conditions in five to 20 years' time and looked for the themes which will be important then."

Themes like export orientation, information or communication stocks are incorporated into the computer model, on the grounds that these will be the stocks that will outperform in 10 or 20 years. It is a concept that Yamaichi claims is well-suited to the long-term nature of Japanese investors.

In addition, Yamaichi analyses some 1,100 coompanies on the first section of the Tokyo Stock Exchange index (YSE) and then reclassifies each company into several of 101 industry sectors. By breaking down research and development spending, the ISS model can select those companies which will be involved in what it expects to be tomorrow's top businesses. For example, it will look for those whose products do not damage the ozone layer in the expectation that there will be more concern about the environment.

There are now only 28 sectors on the TSE, while many companies are actually spread across several. This means, argues Nakajo, that a company could be undervalued if it is being measured on the grounds that all its assets are in a low-performing sector.

Will ISS out-perform? The WM company measured ISS's performance over 1988 and compared it with the TSE, which appreciated by 38.7 per cent. The ISS index was up by 45 per cent, compared with a weighted average sterling return of 28 per cent for UK pension funds. Nevertheless, hypothetical past performance cannot guarantee future performance.

Index funds in the UK have not matched the market particularly accurately, according to the WM Company's analysis of index funds last year. Indeed, 75 per cent of index funds were outside a 1 per cent deviation from the index. The main positive influence on the performance of index funds may well be that management charges are considerably lower than for conventional funds.

Heather Farmbrough

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND MERGERS

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £ms**	Bidder
Prices in pence unless otherwise indicated					
Boase Massimi	300*§	310	304	103.03	BDDP
CCA Publ.	135*	134	115	14.90	HTV
Chamberl'n Phipps	201	220	154	75.58	Evode
Chamberl'n Phipps	220*	220	189	81.0	Bowater
Cons Gold Fields	1402§	1328	1435	3.17bn	Minorco
DDT Grp.	118§	115	112	7.65	Apricot Comp.
DDT Grp.	113	115	110	7.33	Vistec
Delmar Group‡	70*§	70	60	4.93	Bromsgrove Inds.
Jacksons B'ne End	150*§	185	147	12.75	Vesella
Jantar‡	100*§	131	98	4.90	Parris/ETL
Local London	550*	545	494	110.99	Priest, Marians
Magnet	300*	308	289	548.22	DMWSL
Millward Brown	200††	214	206	14.06	WPP Grp.
Piccadilly Rad NV	360§	334	258	28.80	Miss World
Plumb Hldgs.	210*	206	189	26.33	Raine Inds.
Ratcliffs (G.B.)	250*	249	200‡	11.74	Severn

*All cash offer. ††Cash alternative. ‡Partial bid. §For capital not already held. ‡Unconditional. **Based on 2.30pm prices 31/3/89. †At suspension. §§Shares and cash.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Alida Group	Dec	5,120	(4,410)	32.3	(25.2)	10.5	(9.25)
Arcolectric	Dec	613	(625)	6.04	(5.4)	0.96	(0.88)
Barker Charles	Dec	4,000	(2,550)	9.8	(6.0)	3.5	(3.2)
Bestwood	Dec	2,600	(378 L)	5.0	(-)	-	(-)
BHH Group	Dec	7,320	(2,640)	10.6	(4.65)	4.0	(1.25)
Bilston & Batt.	Dec	314	(559)	4.8	(8.5)	4.2	(4.2)
Blackwood Hodge	Dec	15,500	(12,510)	7.4	(6.5)	1.5	(1.2)
Boddington	Dec	14,800	(14,439)	10.5	(10.5)	4.3	(3.97)
British Syphon	Dec	5,010	(4,350)	12.5	(9.9)	2.024	(4.5)
Brooks Service	Dec	2,050	(1,620)	13.1	(11.2)	5.0	(4.2)
Burmah Oil	Dec	146,200	(136,635)	49.3	(44.6)	19.0	(16.5)
Celestion Indust	Dec‡	1,960 L	(70)	-	(0.60)	0.75	(1.0)
Central Ind. TV.	Dec	26,500	(22,500)	84.0	(57.0)	25.5	(22.0)
Corporate Estate	Dec	5,590	(805)	6.84	(2.07)	3.0	(0.75)
Derwent Valley	Dec	2,800	(1,650)	22.4	(20.0)	6.1	(5.07)
English & Scott.	Jan	3,533	(2,350)	3.06	(2.05)	-	(-)
Food Industries	Dec‡	6,100	(361)	16.0	(3.42)	4.0	(2.0)
Friendly Hotels	Dec	3,170	(2,030)	17.1	(13.6)	2.7	(1.8)
Gardner DC	Dec	1,050	(605)	11.4	(8.7)	3.3	(-)
Garton Eng.	Dec	1,220	(803)	21.3	(15.0)	6.25	(5.0)
Glynwed Int'l	Dec	82,500	(60,400)	28.6	(23.2)	9.7	(8.08)
Grampian Hldgs	Dec	10,430	(6,140)	18.5	(14.0)	5.5	(4.0)
Guardian Royal	Dec	239,100	(165,000)	19.4	(13.4)	10.0	(8.2)
Habit Precision	Sept	956 L	(1,500)	-	(7.55)	0.6	(2.3)
Hogg Robson Gard.	Dec	10,500	(11,130)	11.3	(12.5)	6.5	(3.0)
Isle of Man Stm.	Dec	3,140	(2,550)	83.7	(68.0)	12.0	(8.0)
Jeyes Group	Dec	1,580	(1,219)	15.8	(13.8)	0.9	(-)
Laing John	Dec	68,100	(45,700)	52.7	(34.2)	12.0	(7.9)
Lambert Howarth	Dec	615 L	(2,120)	-	(27.4)	8.5	(8.5)
LASMO	Dec	16,000	(36,000)	12.5	(12.4)	8.5	(7.7)
Lopex	Dec	6,500	(4,700)	20.4	(15.0)	6.0	(5.0)
Macfarlane Group	Dec	7,300	(5,580)	14.3	(12.3)	4.35	(3.31)
Mackay Hugh	Dec	1,070	(1,710)	12.9	(20.7)	-	(-)
Marley	Dec	70,220	(55,291)	17.1	(14.2)	6.35	(5.0)
Mayborn Group	Dec	2,140	(2,420)	7.6	(8.4)	3.8	(3.5)
Miller Stanley	Dec	1,250	(99 L)	19.1	(-)	4.0	(1.25)
Molins	Dec	6,000	(10,200)	6.9	(21.9)	9.6	(9.6)
Monument Oil	Dec	1,800	(10,590L)	0.7	(-)	-	(-)
More O'Ferrall	Dec	9,520	(7,120)	25.5	(18.8)	10.0	(7.2)
New England Prop	Dec	1,500	(829)	1.3	(1.1)	0.3	(-)
NMW Computers	Dec	1,330 L	(1,710)	-	(5.3)	0.25	(2.5)
North Midland	Dec	551	(342)	14.2	(8.8)	3.0	(2.0)
Palon	March	2,760	(1,860)	10.4	(8.7)	1.2	(-)
Rockware	Dec	11,160	(9,210)	6.9	(6.09)	2.2	(1.49)
Rotork	Dec	5,090	(5,640)	11.1	(12.4)	7.25	(7.1)
Schroders	Dec⊕	30,000	(27,272)	95.5	(86.3)	19.5	(16.5)
Scott. Heritable	Dec	12,700	(10,000)	20.8	(17.7)	6.0	(5.0)
Secure Trust	Dec	3,100	(2,300)	-	(-)	-	(-)
Senior Engineer.	Dec	13,600	(9,300)	6.27	(5.22)	2.6	(2.2)
Sharp & Law	Dec	1,060	(410)	-	(-)	3.15	(3.0)
Sherwood Group	Dec	6,560	(3,710)	38.0	(26.6)	5.5	(4.5)
Silkolene Lub.	Dec	2,640	(2,146)	39.0	(31.7)	12.0	(9.0)
Singer & Fried.	Dec	18,460	(7,100)	5.58	(3.04)	2.0	(0.75)
Sintrom	Dec	1,820	(1,197)	11.6	(8.57)	2.64	(2.2)
Slough Estates	Dec	75,100	(61,560)	19.0	(15.6)	8.9	(7.3)
Spirax-Sarco	Dec	22,400	(18,950)	19.0	(16.4)	7.5	(6.4)
Sun Life	Dec⊕	23,300	(20,900)	-	(-)	38.7	(33.6)
Tech. Project	Dec	1,180	(1,120)	16.0	(15.3)	5.0	(4.0)
Trade-Indemnity	Dec	12,600	(10,500)	-	(-)	-	(-)
Trilion	Sept	1,090	(1,990 L)	-	(-)	-	(-)
Tyndall Hldgs	Dec	1,200 L	(6,600)	-	(10.9)	5.5	(5.0)
Unichem	Dec	12,530	(7,810)	-	(-)	-	(-)
United Newspaper	Dec	107,730	(95,610)	37.5	(36.2)	20.5	(19.0)
Waterford Foods	Dec‡	7,890	(5,380)	6.2	(4.5)	0.525	(-)
Weir Group	Dec	19,100	(13,100)	26.6	(17.5)	7.0	(4.5)
Willis Faber	Dec	54,360	(60,339)	13.5	(17.4)	11.5	(11.5)
Wills Group	Dec	1,390	(1,275)	7.8	(6.7)	-	(-)
Worcester Group	Dec	5,010	(3,140)	13.8	(9.1)	2.9	(2.1)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
AC Holdings	Dec	516	(221)	1.0	(-)
Audit & General	Dec	712	(261)	-	(-)
Barry Wehmiller	Jan	3,100	(2,150)	1.8	(1.5)
Beazer	Dec	54,500	(41,900)	2.45	(2.1)
Bennett & Fountain	Dec	2,580	(2,640)	1.32	(1.2)
Bridport-Gundry	Jan	306	(423)	1.9	(1.9)
Castle Communication	Dec	803	(401)	3.5	(3.0)
Colroy	Jan	1,360	(877)	1.37	(-)
Cooper Frederick	Jan	4,500	(3,090)	1.35	(1.1)
Frogmore Estates	Dec	9,010	(23,650)	2.6	(2.3)
Melville Group	Dec	2,110	(1,180)	1.5	(-)
Murray Electronics	Jan	268	(160 L)	-	(-)
Murray Ventures	Jan●	859	(709)	2.5	(2.15)
Ossory Estates	Dec	4,410	(1,190)	0.3	(0.15)
Pressac Holdings	Jan	1,170	(1,510)	0.5	(0.5)
Prospective Group	Jan	2,760	(2,080)	0.5	(-)
Sanderson Elder	Dec	35	(91)	-	(-)
Town Centre Sec.	Dec	2,090	(1,686)	0.6	(0.5)

(Figures in parentheses are for the corresponding period.)
*Dividends are shown net pence per share, except where otherwise indicated. L = loss. ‡ Irish punts & pence. ● net revenue. ‡ this years figures for 9 months. ⊕ after tax profits.

RIGHTS ISSUES

Bear Brand is to relaunch a £5m two-for-three rights issue at 9p.

OFFERS FOR SALE, PLACINGS AND INTRODUCTIONS

Amberley Holdings is to join the USM via a placing of 2.2m shares at 57p.

RESULTS DUE

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
Alexandra Workwear	Tuesday	1.1	2.1	1.35
Associated British Ports	Thursday	2.5	5.0	3.5
ATA Selection	Wednesday	0.7	1.1	0.84
Baillie Gifford Technology	Tuesday	-	-	-
Baird William	Thursday	4.95	8.0	2.85
Belhaven	Tuesday	0.45	0.3	0.45
Bilton Percy	Friday	4.9	9.05	5.15
Boustead	Tuesday	0.1	0.4	0.3
Brammer	Tuesday	4.5	6.0	4.5
Britannia Group	Thursday	-	2.5	1.40
British Alcan Aluminium	Tuesday			-
British & Commonwealth	Thursday	3.5	4.5	4.0
British Dredging	Wednesday	2.0	3.0	2.2
Capital & Regional Properties	Thursday	0.1	0.2	0.2
Co-operative Bank	Tuesday	-	-	-
Dagenham Motor Group	Wednesday	-	-	1.5
Daniels S	Thursday	1.25	2.0	1.25
Dewsongroup	Friday	-	0.5	-
Dewey Warren Holdings	Wednesday	-	-	-
Edmond Holdings	Monday	0.18	0.62	0.5
ERA Group	Tuesday	1.0	1.5	1.0
Eurotunnel	Monday	-	-	-
Fairhaven International	*Thursday*	-	-	-
Filofax	Thursday	0.75	2.5	0.75
Geers Gross	Tuesday	-	-	-
Guinness	Thursday	3.0	6.2	3.5
Headland Group	Monday	-	-	-
Rostock Johnsen	Thursday	1.5	2.5	2.0
Jacob W&R	Wednesday	2.8	5.4	2.8
Jerome S & Sons Holdings	Wednesday	2.0	4.5	2.6
Johnston Group	Tuesday	3.0	7.0	3.0
Kleinwort Benson Gilt Fund	Monday‡	29.42	31.22	-
Laird Group	Thursday	3.1	4.6	3.5
London & Edinburgh Trust	Monday	0.75	1.25	1.5
London & Manchester Group	Thursday	2.774	5.925	3.3
Maxwell Communication Corp.	Thursday	6.0	8.0	6.0
M6 Cash & Carry	Wednesday	1.06	2.74	1.17
Meggitt Holdings	Tuesday	0.75	1.5	0.9
Metal Closures Group	Tuesday	2.2	5.2	2.35
Metsec	Thursday	1.6	1.6	1.85
MTM	Tuesday	1.0	2.0	1.1
Musterlin Group	Thursday	1.0	2.0	1.0
North British Canadian Invest.	Monday	2.5	5.6	2.7
Ocean Transport & Trading	Wednesday	3.34	7.01	3.68
Oliver George (Footwear)	Thursday	2.2	10.3	2.6
Olives Holdings	Friday	-	-	-
Pearson	Monday	6.0	9.0	7.5
Portals Holdings	Thursday	2.9	6.2	3.2
Quarto Group	Wednesday	-	-	1.125
Queens Moat Houses	Thursday	0.9	1.0	1.06
Quicks Group	Thursday	0.875	3.125	1.5
Reckitt & Colman	Thursday	7.8	13.9	9.15
RKF	*Friday*	0.73	1.5	1.125
Rockfort Group	*Monday*	-	-	-
Rockwood Holdings	Wednesday	-	0.4	0.3
Scottish Television	Friday	3.5	13.5	3.75
Severfield-Reeve	Monday	-	-	0.75
Silentnight Holdings	Tuesday	1.75	3.5	2.25
Steetley	Monday	3.25	6.0	4.0
Sun Alliance & London Ins.	Wednesday	10.0	21.0	15.0
Swallowfield	Tuesday	-	3.4	-
T&S Stores	Tuesday	0.8	1.3	1.0
TT Group	Tuesday	1.0	3.0	2.0
Watts, Blake, Bearne & Co.	Monday	2.0	4.15	2.3
Wilkes James	Monday	3.3	3.75	3.6
Wilson Connolly Holdings	Wednesday	0.6	1.5	1.0
INTERIM DIVIDENDS				
AB Electronic Products	Wednesday	3.0	12.0	-
Alva Investment Trust	*Wednesday*	1.3	1.3	-
Barrett Henry Group	Thursday	1.1	2.3	-
Beckman A	Wednesday	1.95	3.78	-
China & Eastern Investment Co.	Tuesday	-	-	-
Dolphin Packaging	Thursday	1.2	2.0	-
Druck Holdings	Thursday	2.2	4.0	-
Int'l. Invest. Tst of Jersey	Friday‡	6.0	-	-
Klark-Teknik	Thursday	0.6	0.6	-
Magnetic Materials Group	*Thursday*	0.9	2.0	-
Ptarmigan Hldgs	Thursday	-	-	0.25
Shandwick Group	Tuesday	2.0	5.5	-
Sotheby's Holdings	Wednes.‡●	-	0.0625	-
UDO Holdings	Monday	0.72	1.71	-

*Dividends are shown net pence per share and are adjusted for any intervening scrip issue. ‡ US cents. ‡ per share gross. ● 1st quarter figures.

INTEREST RATES: WHAT YOU SHOULD GET FOR YOUR MONEY

	Quoted rate %	Compounded return for taxpayers at 25%	40%	Frequency of payment	Tax (see notes)	Amount invested £	Withdrawal (days)
CLEARING BANK*							
Deposit account	4.50	4.60	3.68	monthly	1	-	0-7
High interest cheque	7.60	7.90	6.32	monthly	1	1,000-4,999	0
High interest cheque	8.00	8.30	6.64	monthly	1	5,000-9,999	0
High interest cheque	*8.40*	*8.70*	*6.96*	*monthly*	1	*10,000-49,999*	0
High interest cheque	8.80	9.20	7.36	monthly	1	50,000	0
BUILDING SOCIETY†							
Ordinary share	6.00	6.09	4.87	half-yearly	1	1-250,000	0
High interest access	8.00	8.00	6.40	yearly	1	500	0
High interest access	8.25	8.25	6.60	yearly	1	2,000	0
High interest access	*8.75*	*8.75*	*7.00*	*yearly*	1	*5,000*	0
High interest access	9.00	9.00	7.20	yearly	1	10,000	0
90-day	9.05	9.25	7.40	half yearly	1	500-9,999	90
90-day	9.50	9.73	7.78	half yearly	1	10,000-24,999	90
90-day	10.00	10.25	9.20	half yearly	1	25,000	90
NATIONAL SAVINGS							
Investment account	10.75	8.06	6.45	yearly	2	5-100,000	1 mth
Income bonds	11.50	9.08	7.28	monthly	2	2,000-100,000	3 mths
Capital bonds	12.00	9.00	7.20	yearly	2	100 min.	3 mths
34th issue♦	7.50	7.50	7.50	not applica	3	25-1,000	8
Yearly plan	7.50	7.50	7.50	not applica	3	20-200/month	14
General extension	5.01	5.01	5.01	not applic.	3	-	8
MONEY MARKET ACCOUNT							
Schroder Wagg	8.83	9.20	7.36	monthly	1	2,500	0
Provincial Bank	9.60	10.00	8.00	monthly	1	1,000	0
UK GOVERNMENT STOCKS							
5pc Treasury 1986-89	10.57	9.28	8.51	half yearly	4	-	0
8pc Treasury 1992	10.96	8.86	7.60	*half yearly*	4	-	0
10.25pc Exchequer 1995	10.43	7.85	6.30	half yearly	4	-	0
3pc Treasury 1990	9.77	8.98	8.50	half yearly	4	-	0
3pc Treasury 1992	8.97	8.14	7.64	half yearly	4	-	0
Index-linked 2pc1992§§	8.59	8.08	7.77	half yearly	2/4	-	0

*Lloyds Bank. †Halifax 90-day; Immediate access for balances over £5,000. ♦ Special facility for extra £5,000 §Source: Phillips and Drew. §§Assumes 5.0 per cent inflation rate. 1 Paid after deduction of composite rate tax. 2 Paid gross. 3 Tax free. 4 Dividends paid after deduction of basic rate tax.

Eric Short explains why taking a tax-free lump sum is not automatically the right choice

A pension puzzler

"ALL MY colleagues and friends have decided to choose the option of taking part of their pension in a tax-free lump sum. But I'm not sure whether this is really the best thing to do. What do you advise?"

That was the unusual question put by a reader. Unusual, because virtually everyone takes the cash sum option without a second thought. But it is a question worth asking, since it is an important decision to take, with far-reaching consequences. And it is not as simple as it seems.

Employees in the public sector, like the Civil Service, do not have to make this decision. They receive a tax-free cash sum at retirement automatically as part of the benefit package.

However, in the private sector employees do have to decide whether to convert part of their pension into a tax-free lump sum. This option is available only at the time of retirement. An employee cannot convert once the pension payments have started.

For many people, it represents a once-in-a-lifetime opportunity to acquire a substantial cash sum, tax-free under present laws.

As a result, it is estimated that more than 95 per cent of staff take the lump sum option, 99.99 per cent of them without a second thought. Enquiries, if any, relate to where they should invest the cash.

The Inland Revenue rules controlling the maximum cash sum that an employee can take are complex, relating to sex, length of service and normal retirement age, with penalties for early retirement.

But the employee does not need to know these rules. The annual benefit statement, now obligatory, shows the employee's full pension entitlement, the maximum cash sum (and consequent reduced pension), plus the spouse's or dependant's pension.

Why financial advisers support taking the lump sum is that it is calculated by means of the actuary converting gross pension, on which tax would be payable, into tax-free cash — an anomaly that appears to justify taking the cash without further thought. However, individual employees should also take into account their own particular circumstances. The following factors should be considered before you make any decision:

- Look at how the spouse's pension is affected. In some schemes, this is based on the reduced value of the pension after the lump sum has been taken. It is worth checking this point and estimating if the reduced pension would be enough for your spouse.

- Is the reduced pension sufficient to live on without having to eat into the cash sum? If not, it would seem pointless to commute. But you should not forget to add the state pension to the company pension when making this calculation.
- Your state of health. The actuary in his calculations will have assumed normal health, with a life expectancy of around 14 years for a man aged 65 and 22 years for a woman aged 60. So, if you have a lower life expectancy the commutation option is more favourable.

Many employees consider their life expectancy to be far less than the figures above. They remember "old Joe" who dropped dead the day after retiring, overlooking the fact that more and more people are reaching their 100th birthday. You need to ensure that the pension will be sufficient throughout the remainder of your life, again taking into account the state pension.

Taken on its own, it would appear that an employee who chooses the lump sum is gambling on not living long. But this is not the whole story.

That assumes you will spend all the cash on a world cruise, a new car, refurbishing the house and giving what is left to family and friends. But many people will spend only a small part of the money, investing the remainder. Thus, the cash sum will provide income that (at least partly) offsets the pension reduction.

This leads on to the plus side of taking the lump sum, which can be more than just a warm feeling of having money in the bank or readily accessible.

A pension represents one of the most valuable assets for many people. But, unlike that other valuable asset, the house, it cannot be passed on to the next generation. However, the lump sum *can* be preserved as capital and passed on to your family or heirs.

Pension consultants say people fall into two distinct categories as regards passing on their assets: those who could not care less and those who are very concerned.

For either category the attraction of cash is usually overwhelming: the former to spend, the latter to conserve. Those in the *latter* class can invest in a high-income unit trust; the income replaces partly what has been given up and the capital value is preserved.

The answer to the reader's enquiry is that individual employees must make up their own minds. On purely financial grounds, though, you must weigh the benefits of receiving tax-free cash based on gross pension income against the lower pension base on which future increases will depend.

Henderson grapples with overseas blues

WITH profits for the last half-year reduced drastically, staff cuts, and widespread speculation about a takeover bid being inevitable, the Henderson group has been having a depressing time in recent months.

From the investor's point of view, the main question is whether the performance of the group's funds has been affected by the strain. A group that tries to excel in every possible specialisation is bound to come unstuck some of the time.

With Henderson, the picture is most patchy when it comes to overseas funds. Here, there are only two examples of consistent long-term growth. Results for two-year periods and longer are mostly poorer than the sector average. This must be seen as disappointing, particularly in Europe and the Far East, since both are areas where Henderson has some well respected names among its fund managers.

The Spirit of the East fund, which attracted some flak on its mid-1987 launch because of its evocative but non-functional name, has made a poor beginning, coming 77th out of 78 in the Far East sector over a year to March 1.

The best overseas performers have been the Worldwide and Australian trusts, both of which have been near the top of their sectors over all the periods shown in the table. Apart from these, however, Henderson's international growth trusts do not look so rosy.

The worst stain on Henderson's record is the Gold Trust, which lost investors 42.6 per cent of their money in 1988 and took the prize for the industry's worst performer. It has just been put down humanely by a merger with the Global Resources trust.

Unfortunately, Global Resources itself is not much to write home about, but at least it lost only 3.3 per cent in 1988. A well-timed merger can be a useful device for cleaning up a disastrous performance record.

For a group which prides itself on offering trusts investing in every market under the sun, it is ironic that the best long-term good performers should be largely among the UK funds. Taking Henderson's trusts in the three major UK equity sectors in isolation, the performance record is very good. Recovery and Smaller Companies Dividend have been near the top of their sectors over most periods.

Henderson has a special bent for income funds: Income and Assets, Income and Growth and High Income have done well, as has the Special Situations trust. These trusts have not always been in the sector top 10, but they have maintained their position comfortably above the average.

The group is also making strenuous efforts to shine up its image in overseas markets. Investment director Iain Clark was appointed early in 1988, and the one-year performance figures over which he has presided are an improvement on what has gone before. Over three years to March 1, eleven funds show an above-average result. Over one year, 17 funds are above average.

Among the newer good performers is American Smaller Companies, which has shot into the top quartile after many years in the doldrums. The other two US trusts, three European trusts and two Far East trusts tell a similar story.

But the magic has not worked in Japan, where both trusts continue to perform below the sector average. Clark attributes the group's Japanese problems largely to a big error in investment judgment when the group missed the switch from domestic oriented stocks back to manufacturing companies. A change of managers is taking place here.

The US trusts, which have also seen management changes, have benefited from a change in investment approach.

Clark says: "We were using methods based on analysing fundamentals which had been successful in the late 1970s and early 1980s. We now have a much stronger discipline, with a more careful look at indices and weightings."

The philosophy might differ from one market to another, since Henderson does not aim at a rigid group style. Clark meets each manager monthly to review progress.

He sets performance targets on two levels. First, he is looking for one-year performance in the top 40 per cent of the sector, moving to top quartile over five years.

Second, as an absolute measure, he hopes at least to match the relevant market index — a tall order, particularly in the US and Japan where only a few of the top trusts have achieved this objective consistently.

Robin Berrill, the new managing director, who moved to Henderson from John Govett Pensions, feels the welter of critical press reaction "started a snowball which has, hopefully, now been turned round."

While they might not yet be skiing to victory, Henderson is battling with the elements overseas. Back home, the UK funds continue to give off a warm glow.

Christine Stopp

Henderson: strong and weak performers

Offer-to-bid income reinvested. Years to 1.3.89

	1 YEAR	2 YEARS	3 YEARS	5 YEARS	7 YEARS
Recovery	11.9	10.5	66.8	148.4	287.6
	(37/107)	(34/100)	(11/91)	(22/74)	(32/66)
Sm.Cos.	8.2	23.5	105.1	209.2	382.2
	(79/123)	(24/109)	(5/99)	(7/66)	(15/55)
Worldwide	9.9	10.5	54.4	122.5	254.6
	(55/161)	(12/123)	(12/97)	(10/71)	(8/56)
Australian	32.9	13.1	67.1	35.1	74.0
	(4/17)	(3/16)	(2/16)	(4/12)	(3/7)
Cap.Gth.	6.1	-8.7	22.6	80.4	200.3
	(125/173)	(128/134)	(107/117)	(80/88)	(57/67)
Global Tech.	-11.2	-27.9	-14.5	9.8	88.4
	(160/161)	(119/123)	(95/97)	(64/71)	51/56)
Am. Sm. Cos.	10.8	-29.5	-22.2	2.3	71.7
	(23/119)	(98/105)	(84/91)	(55/58)	(32/37)

(Bracketed figures show sector ranking/total funds in sector

Source: Finstat

Not grand for Duchy

APRIL 1 last year was an auspicious day for the Grand Duchy of Luxembourg. It stole a march on the rest of Europe by passing legislation allowing the launch of Community-wide collective investment schemes.

Known as Ucits (the Undertaking for Collective Investments in Transferable Securities), these cross-border funds should — in theory — be available throughout the EC from October. This means that the German investor will be able to buy a Spanish-registered fund, investing in Greek equities, from a French broker.

In practice, Ucits funds are far more likely to be registered in Luxembourg or London than Spain as only those two financial centres have established Ucits legislation.

Ucits funds are similar to UK unit trusts but their investment policies are limited by the EC directive. They must place a minimum of 90 per cent in publicly-quoted securities and they cannot be property, venture capital, commodity or cash funds (although cash funds as part of an umbrella fund would seem to be allowed).

They cannot invest in precious metals and they cannot, in principle, borrow against the fund. As yet, there is no compensation scheme for investors in Ucits funds.

Luxembourg has come a long way from being a haven for the hard-earned savings of astute Belgian dentists. Far from being a tax haven for residents — the single person's top tax rate is 56 per cent — Luxembourg is instead an EC tax haven for non-residents.

Companies or funds based there pay no tax on income. Non-resident investors pay no witholding, capital gains and inheritance taxes or VAT on gold bullion.

The Grand Duchy's geographical position and its political neutrality have attracted vast amounts of offshore business. This little country boasts more than 7,000 holding companies, about 120 banks and growing ranks of investment funds, many poised to assault the investors of Europe.

Regulation is controlled by the Institut Monetaire Luxembourgeois, which struggles to keep its head above backlogs of banking and fund applications. Many UK fund management companies with offshore exposure fled from the complicated and expensive requirements of the UK Financial Services Act and opened offices in Luxembourg. The roll-call includes GT, Gartmore, Aetna and Jardine Fleming.

A lot of companies already had offices in the Channel Islands or Isle of Man but opened up in Luxembourg expressly to market across Europe under the Ucits directive. At the same time, the fact that Japanese investors can invest only in OECD countries provides Luxembourg with another advantage over rival offshore centres.

Enthusiasm for Luxembourg was dampened only slightly when the local regulations were altered to include a requirement that funds registered there had to be administered there, too.

Ironically, while Luxembourg's tax and geographic neutrality have proved an enormous attraction to fund management groups looking towards the single market, there is now a threat that Luxembourg could be hoist with its own EC petard. The agenda of the June summit meeting of heads of EC states in Madrid will include debate — and, many countries hope, agreement — on a Europe-wide common witholding tax.

Christiane Scrivener, the EC commissioner for fiscal harmonisation, disclosed this proposal at the beginning of this year and met with a remarkably positive reaction from everywhere — except Luxembourg and the UK.

The proposal strikes at the heart of the tax haven's twin tenets of tax neutrality and financial confidentiality. The first part is a proposed introduction of a witholding tax of at least 15 per cent on deposits, fixed-interest vehicles and collective investment schemes. It would be payable only by other EC nationals. The second proposal would establish an information exchange between member states on cases of suspected fraud.

The proposal is partly a sop to those European countries, including France, which fear that the abolition of all exchange controls between member states, scheduled for mid-1990, will encourage cross-border fraud.

If the with-holding tax measure is passed at the Madrid meeting, and subsequently enforced, Luxembourg is likely to lose a lot of the business it has gained at the expense of Switzerland, the Channel Islands or the Isle of Man, all of which remain comfortably outside the EC.

Beverly Chandler

Why ombudsman resigned

THE FACT that Christopher Price, the first unit trust ombudsman, announced his resignation only five months after taking up the post is worrying for investors. A complaints procedure is a key element of the new regime for investor protection under the Financial Services Act and, evidently, is not working properly.

Price resigned mainly because he was being asked to act as a sort of investment agony aunt rather than use his legal knowledge. The bulk of complaints received came either from unitholders who had been sold the wrong trusts, or from those who don't understand that stock market investment involves an element of risk and, consequently, are horrified when the market value of their holdings falls.

But Price also is worried that the provisions of the Financial Services Act make it impossible to develop the role of the unit trust ombudsman in the correct way.

There is considerable confusion at present. The unit trust ombudsman can handle only complaints about unit trusts managed by companies who are members of the scheme. Moreover, he cannot deal with point-of-sale complaints, such as overselling, by independent financial advisers.

So far, only a third of the 150-plus unit trust management groups are members of the scheme, which is voluntary. If they do not join they are regulated automatically by the investment referee, who acts on behalf of both Imro (Investment Managers Regulatory Organisation) and Fimbra (Financial Intermediaries, Managers, and Brokers Regulatory Association).

Richard Youard, the investment referee, who starts work from May 1, operates in a somewhat different way. His decision, after investigation, is binding on the complainant as well as the member. Therefore, you give up the right to pursue the matter further through the courts if the adjudication goes against you.

The council of the insurance ombudsman bureau, under whose auspices the unit trust ombudsman operates, is seeking a replacement. However, the publicity attached to Price's departure will not help the council to attract the necessary calibre of person.

So the time could be opportune for the whole function of the unit trust ombudsman to be reviewed. There appear to be three choices:

- Keep the post as set up and find a successor. This option runs the risk of seeing either a succession of disenchanted ombudsmen or the appointment of a person without the necessary expertise or character to fill the role.

- Accept that the role of unit trust ombudsman does not require a full-time, high-powered legal person. Instead, a deputy within the insurance ombudsman bureau could be assigned to deal with the routine complaints, with the insurance ombudsman himself adjudicating only on the occasional tricky complaint.

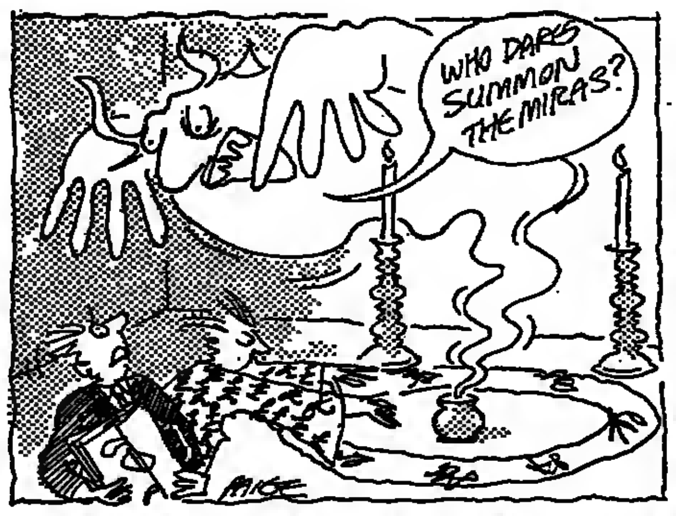
- Abolish the post altogether and let the the Imro/Fimbra investment referee handle all complaints relating to unit trusts. After all, the investment referee will be handling complaints on unit trusts groups who are not members of the unit trust ombudsman scheme.

The investment referee provides a more comprehensive and clear-cut complaints service than the unit trust ombudsman. It does not make sense to have a variety of complaint channels.

Eric Short

Donald Elkin looks at how Miras might apply to UK non-residents

Taxing choice for borrowers



ALL THE evidence suggests that during preparations for the introduction of mortgage interest relief at source (Miras) in April 1983, its detailed application to UK non-residents did not engage the close attention of the parliamentary draughtsman.

As a result, problems of interpretation have emerged from time to time and it seems clear that in two areas this is happening again.

One concerns lettings. There are several circumstances in which let properties might be entitled to remain within the Miras scheme. These include:

(1) Cases where the property is used "wholly or to a substantial extent" as the principal residence of the non-working spouse and any children. In practice, this is interpreted as meaning six months or more residence by them every year.

(2) Cases covered by extra-statutory concession A27. Where absence from the principal residence in the UK is caused by employment overseas which is not expected to last for more than four years, at the end of which occupation will be resumed.

(3) Cases where the employee is living overseas in job-related accommodation, either for the proper performance of his duties or on account of some special security risk.

In all three cases, the Revenue takes the view that the taxpayer must either choose to remain within Miras, or to opt out and apply the fundamentally different rules relating to lettings. You *cannot* benefit from the best features of both at the same time.

The point here is that Miras will provide relief in respect of the interest paid on qualifying loans of up to £30,000 regardless of whether or not the borrower pays any UK tax. By contrast, the letting rules give relief without limit – but only to the extent that there is sufficient profit from the letting against which the interest may be set off.

If your loan does not exceed £30,000, clearly you should stay within Miras. That way, you will be sure of getting relief for all of the interest regardless of your letting situation.

But say you have a £50,000 loan at 10 per cent, so that £3,000 of the interest gets tax relief under Miras but the remaining £2,000 does not. Can you charge that excess in your letting account?

Dependent upon the tax district you have been dealing with, you might have succeeded in doing just that but, according to the circumstances, you could well meet with a refusal in future.

Continuing our example, suppose that your letting profit for the year is £6,000. You will obviously be better off outside Miras, since you *would* then get tax relief for the whole of the £6,000 interest as against the £3,000 which Miras would provide. Unfortunately, the opposite would be true if, in the following year, your profit drops to £1,000. Miras would then provide greater tax relief.

There is another angle that needs to be taken into account, too. Although the "letting basis" would give you immediate relief only on £1,000, the remaining £5,000 could, in those circumstances, be carried forward as a loss available to reduce future profits. Clearly, without the use of a crystal ball, choosing the best system of relief will not be in the least easy.

Furthermore, the switching into and out of Miras which these rules might provoke would undoubtedly cause considerable difficulties and delays.

Consequently, to cover the circumstances where you might wish to change your mind about the basis of receiving tax relief during your period overseas, the Revenue could allow your loan to stay within Miras and, in appropriate circumstances, to make adjustments to assessments to produce the same tax results as if you had opted out.

As always when changes of practice take place, the question arises whether retrospective adjustments will be required where tax settlements for earlier years were made on a different basis. While there is at present no clarification on the point, the evidence of previous changes is that they will not.

The other area being considered concerns those living in job-related accommodation overseas, whether or not their properties are let. As indicated, extra-statutory concession A27 permits the grant of Miras relief for up to four years, notwithstanding absence on employment overseas.

But those in job-related accommodation are treated effectively as continuing to live in their UK homes even though they are not. As a result they can, in fact, be absent for more than four years and still obtain relief.

It is primarily members of the services and diplomats with lengthy postings overseas who have benefited from this concession. But how much longer they will continue to do so remains to be seen.

■ *Donald Elkin is a director of Wilfred T. Fry Ltd of Worthing, West Sussex.*

Charitable view

THE CHANCELLOR gave some small encouragement to charitable giving in the Budget by doubling to £480 a year the maximum amount eligible for tax relief under payroll giving schemes. However, charities generally were disappointed. They had argued the limit should be raised to £1,200 to provide a real stimulus to a scheme that so far has had a discouraging take-up.

Payroll giving was introduced in 1987 with hopes that charitable donations would be stimulated by a scheme, administered by employers, under which you receive tax relief on deductions made direct from the wage packet. A recent survey showed that the average household contribution to charity in 1987 was only some £24 a year, or 0.24 per cent of total gross household income. Today, there are more than 3,400 payroll giving schemes with around 100,000 contributors. Some 16 per cent of givers donate the present maximum of £240 a year.

The Charities Aid Foundation says that, for many high income-earners, the new £480 a year ceiling is still not significant enough for them to be interested. In addition it relates only to people on PAYE, with the self-employed not eligible.

The scheme itself is fairly simple to set up. Employers have to enter into a contract with a charity agency approved by the Inland Revenue – which can supply a list of these 20-odd agencies.

Employees who want to take part authorise their employer to deduct the donations from their pay and nominate the charities they wish to receive their gifts.

Employers give their staff tax relief by deducting gifts from pay before calculating the PAYE tax due, then paying the gifts over to the agency. The agency acts as a clearing house, distributing the gifts to the named charities.

Lisa Wood

Worry over inflation

I AM A TRUSTEE and ultimate benefactor (with my sister) of a trust of which our mother has the benefit for her life. The trust consists of freehold house and a portfolio of stocks and shares.

Recently, a severe outbreak of dry rot was discovered in the house. The cost of eradication and restoration was £20,000.

My mother *could not* produce this money and so, with my co-trustee's agreement, I paid the bill. It was agreed by all parties that, when my mother died, I would be refunded from the capital in the trust.

I am happy that this should be treated as an interest-free loan but the possibility of inflation, such as we had in the 1970s, does concern me. Is there a simple way of linking the £20,000 notionally to an index that would track inflation in property or, say, ordinary shares which, when the time comes for me to be repaid, would maintain the real value of my money?

■ There are a variety of ways in which it could be possible to link the capital sum to be repaid with the fall in value of the money or the rise in value of the property. This can be done by providing for an increase in the capital sum by reference to the retail price index; or in the index of prices of building materials; or by setting a value on the house as at the date of the loan and providing for repayment to be of the proportion of the value of the house at the repayment date which £20,000 bears to the value at the loan date.

French fears

MY DAUGHTER and her family have recently moved to France after selling their London house. They have left some of the equity in the UK on deposit and have transferred a third to France, where it is also on deposit but is to be used mainly for living expenses and renovating their house there.

If EC legislation enforcing adoption of a withholding tax on savings should come about, how would it be likely to affect my daughter's funds should she wish to make transfers between French and British banks?

■ Since your daughter will be unable to make the statutory declaration that she is not ordinarily resident in the UK (because the Inland Revenue are unlikely to decide this question for three years or so, in the light of events in the meantime), she will suffer the burden of composite-rate tax on her UK bank deposit interest. This will neither be recoverable nor be creditable against any liability to French tax on the interest.

As we have mentioned in published replies from time to time, UK banks and building societies etc. are generally not the right places for recent emigrants to leave their money. This problem would be removed if the proposed withholding tax were to replace the composite-rate and reduced-rate tax systems at present in force for UK banks and building societies, respectively.

We cannot give investment advice, but your daughter might like to consider transferring her money from the UK to Guernsey or Jersey.

Inspector is right

I HAVE THREE covenants in favour of various charities on which I receive higher-rate tax relief. This is given by my tax inspector in the normal way in my annual tax assessment by extending the basic-rate tax allowance by the amounts of these covenants.

In *May* 1987, I registered a further covenant in favour of my grand-daughter, but the tax inspector informs me this cannot be applied to extend the basic-rate tax allowance and so give higher-rate tax relief.

I had not been aware that the tax treatment of covenants differed according to who was receiving the payment. I have twice asked my tax office to explain this and to tell me the tax law on which the decision is based. However, over a period of some months no reply has been forthcoming.

Is my tax inspector correct and does a very precise authority exist for his action?

■ The tax inspector is right. The provision which he is presumably still hunting for in his reference books is section 457 of the Income and Corporation Taxes Act 1970:

"Where . . . income arising under a settlement made on or after 7 April 1965 is . . . payable to or applicable for the benefit of any person other than the settlor, then, unless . . ." (here follow various exceptions, which do not include covenants in favour of grandchildren) "the income shall, for the purposes of excess liability, be treated as the income of the settlor and not as the income of any other person."

In this sub-section, "excess liability" means the excess of liability to income tax over what it would be if all income tax were charged at the basic rate to the exclusion of any higher rate.

A wife's pension

A WIFE GETS a state pension of £24.75 a week. It is paid to her by virtue of her husband's contributions. The pension book is in her name and the husband has no power to draw it. At present he pays tax on it, as his personal allowances are reduced for both his own and his wife's pensions.

Under the new scheme, will this pension be regarded as wife's income, to be entered in her return of income; or will it be the husband's income, as it is by virtue of his contributions?

■ There will be no change; the pension is treated as the wife's income at present and it will continue to be treated as her income. It is, in fact, her income, and there is nothing in the tax legislation which deems it not to be her income. It is not deemed to be earned income for the purpose of wife's earnings allowance, but that is quite a separate matter.

Bank taken to account

MY BANK HAS written to me stating that it intends from June to charge customers who fail to keep a minimum of £750 in their current accounts. The charge will be set at 45p per statement entry throughout the quarter in which the balance in the account fell below this minimum £750, plus £5 per quarter administration charge.

Q&A

BRIEFCASE

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Is it lawful for a bank to trade in such a way that its customers cannot know at the time they use a service how much it will cost them, since those fees are contingent upon a minimum balance maintained throughout the quarter? Is it lawful for my bank to deduct such charges if I do not formally agree to them in the way that I agreed to their terms of service when I opened my account?

■ It is not unlawful for the bank to charge on the basis indicated, and the bank undoubtedly can and will debit your account with those charges if you continue to bank with them. You are free to close your account and take your custom elsewhere; a failure to *do that would* be construed as an implied acceptance of the bank's terms.

Plot for garden

OUR GARDEN extends to just over an acre. We are hoping to sell about half an acre to developers who will apply for planning permission to build one or perhaps two houses. We shall retain and live in our present home and remaining half-acre.

If we are successful in selling, would we be liable for tax on the half-acre sold? Also, does it make any difference to tax liability if one or two houses are built?

■ As your solicitor will explain, it is essential that the half-acre plot is not marked off from the rest of your garden in any way until after the sale contract has been made, and that you continue to use it as an integral part of your garden just as you always have. That being so, it is likely that your solicitor will be able to persuade the Inland Revenue (or the Appeal Commissioners) that the plot falls within the "permitted area" as defined in section 101 (3) of the Capital Gains Tax Act 1979. The answer to your final question is no.

MINDING YOUR OWN BUSINESS

Roy Hodson turns to an old saying — maximise your skills and minimise your outlay

The painting's the thing

ENTHUSIASTIC budding entrepreneurs like to believe that only the sky is the limit. But it is a long way up and the trip can be perilous, as Icarus found when his wax melted because of a navigational error.

Many people who decide to start their own businesses make the mistake of drawing up over-ambitious plans calling for more resources and capital than they might realistically expect to assemble in this uncertain world. There is much to be said for opting instead for an enterprise which will need all your skills, but only minimal quantities of cash, equipment, or materials.

It only struck me when I called at a new contemporary art gallery in Stamford, Lincolnshire, that here is an excellent example for anyone starting a small business. It capitalises on the virtuous advice — maximise your skills and minimise your outlay.

The gorgeous simplicity of a contemporary gallery is that the proprietor does not have to spend so much as a penny on stock. The accepted practice in the trade is that artists provide the pictures for the gallery's walls, and the gallery takes a percentage on every sale it makes. The commission varies according to the reputation of the gallery.

Philippa Dunkley decided at the age of 42 that her life in London as a business executive was mentally and physically exhausting. She longed to return to the elegant town of Stamford, her childhood home, where she had a house. After much thought, a contemporary art gallery became her chosen escape route.

Her Grinham Gallery has been open less than a month. The number of pictures she has sold so far can be counted on one hand. And it will be a long time before she can match the £20,000 annual income she was earning in London until the end of last year. But the gallery is all hers, she is doing what she wants to do in the town where she wants to be, and she says that she has not been so happy for years.

"The trick to this business, I am sure, is pinning down your painters," she says. She intends to spend at least one day a week on the road, visiting her artists to encourage and cajole. At present she is showing pictures by an old friend of hers, John Lewis ("an established painter but underrated in my view"), landscapes by Joan Hodes, some work by her daughter Charlotte Hodes, and etchings by Paul Coldwell.

Philippa Dunkley has only recently converted to the idea of being a businesswoman. Early in her life she had ideas about formally studying art. But marriage and two sons intervened and the nearest she got to that ambition was production assistant for a film company.

For nearly four years she worked in the Palace of Westminster as a secretary to members of Parliament before becoming the administration manager last year for British Urban Development when the group was set up by a consortium of construction companies.

Meanwhile, as a frequent visitor to London's West End art galleries, she was becoming critical of the way many of them were being run. She concluded many would either be forced out of business by searing London rents, or would survive only by moving to new pitches in the provinces. The idea of running her own provincial gallery then took hold until, after less than a year with British Urban Development, she decided to take the plunge.

By the beginning of this year the premises, a former hairdressers' shop in Stamford, had been found, she had given up her job in London, and the necessary conversion work was proceeding while she sought and wooed artists. Then disaster struck. She was involved in a car crash while on her way from Stamford to London on the A1 and suffered whiplash injuries. Her brave enterprise, which had been started on a financial shoe-string, ground to a halt for a while. She lost two months of expected earnings from the gallery and forecasts ruefully that recovering those earnings will take a long time. It was the sort of unexpected set-back that all small business people should insure themselves and their businesses against.

To finance the gallery Philippa Dunkley took out a second mortgage for £11,000 on her small house in Stamford. It was little enough to start a business with, even one where the stock comes free. Unexpected expenses together with the delayed opening date caused her to exceed her initial target investment by some £2,000.

The premises, a single gallery room 37 ft by 12 ft with a cubbyhole of an office beyond, cost her £6,000 in premium for a two-year lease plus £2,000 annual rent. Decorations and special wall panelling for hanging pictures came in within budget. But she was shocked by the cost of good lighting. The low voltage quartz spots to highlight pictures cost £75 each — and she needed a minimum of six. Security fittings to meet insurance requirements also proved expensive.

In the first fortnight of the gallery's existence she sold two John Lewis paintings at £780 and £410 respectively, and a Charlotte Hodes for £375. She is charging her artists a commission of 35 per cent on each sale so the gallery has started life generating a gross income of £274 a week.

It is hardly a fortune. But the early sales have been a source of much encouragement to Philippa Dunkley and she is now busy planning special exhibitions for her artists later in the year.

Meanwhile, the competition for contemporary art customers in and around Stamford is comfortably less than intense. The nearest rival gallery is 15 miles away.

The Grinham Gallery, 17 St. George's St, Stamford, Lincolnshire PE9 2BJ. Tel. 0780 63227

Gallery owner Philippa Dunkley

Alan Harper

Making words work the user-friendly way

"TAKE a letter, Miss Smith," is a phrase heard rarely now in small business offices. Few fledgling concerns can afford a full-time secretary. Nor, indeed, do many of them feel the need for one after they have persuaded the bank manager to let them have between £1,000 and £5,000 for a desk top computer and printer, or come to an arrangement to lease the kit.

From what I have seen in a number of offices lately, an essential part of the fun when running your own business is to master some of the basic skills of number-crunching and data storage (with such popular programmes as Sage for accounting, Supercalc for spreadsheets, and D Base for data storage).

From there, it is a natural progression to master the elements of one of the word processing programmes in order to hammer out letters and reports. With the comfort and support of such built-in aids to word processing as a thesaurus and a dictionary, the results are usually quite adequate within a short time. Eventually, business letters take on quite a professional appearance.

The programme writers are now trying harder than ever before to remove the aura of mystery that still lingers around the micro-computer. They are offering programmes which are much more "user friendly" — a funny way of saying easy to use.

"Pull-down" menus are becoming commonplace and I think they are a major step forward. The old approach to word processing — some traditionalists will insist it is the classical approach — was that the trained operater remembered most of the keyboard sequences of commands for editing. The tyro had to suffer the top half of his or her work screen being occupied by distracting menus of instructions.

The pull-down menu system leaves the screen clear of instructions apart from a single top line listing the main menu subjects. At the flick of a key, the menu you want to consult drops down over the work temporarily.

In a business market now dominated by IBM-compatible computers, the magazine *What Micro?* has just given an award to the Wordperfect 5 programme, which costs £425, a panel of writers judging it the best word processor.

Wordperfect and its closest rival, Wordstar, have been battling for years for the accolade of leading the market for high quality word processing programmes. Both have developed almost out of all recognition since the early days of the micro-computer.

Now, they are quite complicated packages intended to encourage users to venture beyond straightforward word processing and try their hand at desk-top publishing.

What Micro?, noting the trend, feels obliged to warn people who want to get on with simple word processing that as those top-of-the-market packages have grown in size and complexity, they have also become more unwieldy.

The main virtue it sees in Wordperfect 5 is that, out of all the programmes on the market with a full range of text-editing commands, this one is "the easiest for new users to learn."

The sales maxim for the companies marketing word processing programmes is "catch 'em young." Computer users develop fierce loyalties towards the particular word processing programmes they become accustomed to using.

Whatever your chosen programme might be, it is a good idea to try the latest version on the market every year or so. You could be pleasantly surprised by the improvements. Sometimes, programmes are changed out of all recognition when a new version is published.

That is true of Wordstar. Until recently, it seemed to users like myself that the programme was set in aspic while rival programmes were bristling with novelties. Then, Wordstar 5 Professional appeared last year and changed the rules of the word processing game yet again. In one bound, it had been modernised and expanded until it was more than equal to the competition.

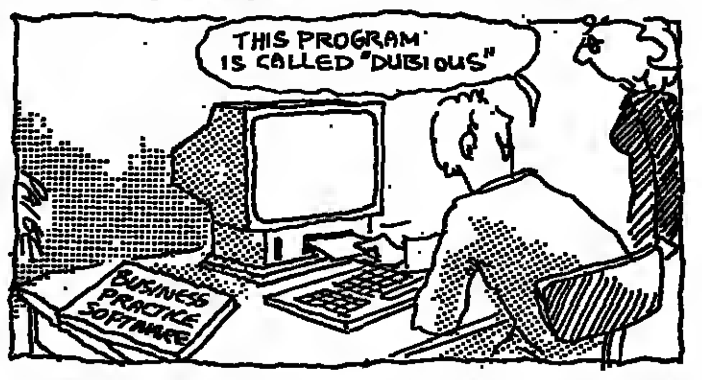
A well constructed graph or chart can enhance most pieces written on a word processor. The magazine *Personal Computing* was on target when it recommended Graph-in-the-Box as the most user-friendly programme for graphics.

If you have a reasonably modern computer with the volume of random access memory capacity (RAM) that is provided by a powerful computer chip, then Graph-in-the-Box can be used in parallel with your word processing programme.

The procedure is simplicity itself. After typing in a set of figures which, it strikes you, would look good displayed graphically, Graph-in-the-Box is called into play by a keystroke without disrupting the word processing job. The figures you want displayed are "painted in" with the cursor, after which you can switch back to word processing.

The enjoyable part comes later when you recall all the stored data, displayed as simple graphs, and instruct the machine to turn them into handsome bar charts, graphs or pie charts. They look particularly good if you possess a printer with a multi-colour ribbon.

R. H.



MINDING YOUR OWN BUSINESS

BUSINESS OPPORTUNITIES

BUSINESSES FOR SALE

BUSINESS SERVICES

BUSINESS WANTED

EDUCATIONAL

LEGAL NOTICES

No. 001443 of 1989

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

IN THE MATTER OF
CARLTON COMMUNICATIONS PLC
- and -
IN THE MATTER OF
THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that a Petition was on the 10th March 1989 presented to Her Majesty's High Court of Justice for the confirmation of the cancellation of the Share Premium Account of the above-named Company.

AND NOTICE IS FURTHER GIVEN that the said Petition is directed to be heard before the Honourable Mr. Justice Peter Gibson at the Royal Courts of Justice, Strand, London, WC2A 2LL on Monday the 10th day of April 1989.

ANY Creditor or shareholder of the said Company desiring to oppose the making of an Order for the confirmation of the said cancellation of Share Premium Account should appear at the time of hearing person or by Counsel for that purpose.

A copy of the said petition will be furnished to any person requiring the same by the undermentioned Solicitors on payment of the regulated charge for the same.

Dated this 23rd day of March 1989.

Clifford Chance,
Royex House,
Aldermanbury Square,
London, EC2V 7LD

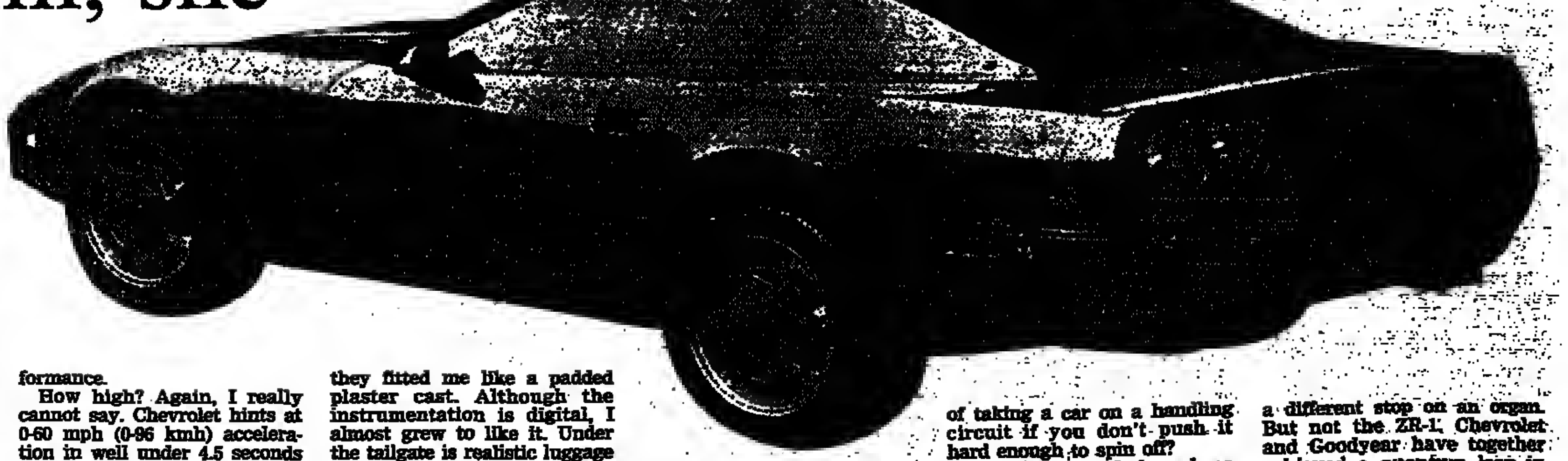
Ref: RWC

Solicitors for the Company

MOTORING

Red dress, leather trim, she is just SO sexy

***Stuart Marshall** should know better but he's in love again - with this magnificent American creature*



The Chevrolet Corvette ZR-1. The car that won the heart of a motoring correspondent

FOR YEARS, I have been telling myself that a car has only to be reliable, comfortable, safe and economical, the right size, shape and price. I thought I had convinced myself. And then it happened. I met this magnificent American creature, dressed in bright red, trimmed in black leather and wearing the biggest, sexiest boots I had ever seen.

The name was Corvette. We had a passionate, two-day affair in the south of France before we said goodbye and I flew back to Britain, home and a sensible BX19 diesel. Never to meet again? I do hope not. Corvette could be coming to Britain within about a year. I can't wait to get my hands on her again.

Corvette, if you hadn't guessed, is a Chevrolet – General Motors' latest sports car. To be exact, the ZR-1 version with a 5.7-litre, 32-valve, four-camshaft engine and all manner of electronic marvels.

I have no idea what its output is (GM, like Rolls-Royce, will not say) except that it must be around 300 horsepower. Lotus, now a GM subsidiary, designed and developed it in Norfolk. Its massive torque (pulling power) is put on the road through a German ZF six-speed gearbox and US-made Goodyear Eagle tyres more than 1 ft (30cm) wide.

What matters more is that the horses can be either fiery stallions or the gentlest of riding school hacks. This Jekyll and Hyde of an engine will pull jerklessly at little more than tickover in the world's highest top gear - 40 mph (64 kmh) per 1,000 rpm in top – or howl up to 7,000 rpm in the intermediates.

Corvette is a big lady. A bit hippy from behind, to be sure, and no lightweight at over 1.5 tonnes. But what a beautiful mover.

Our first day was spent in *Haut Languedoc* where the minor roads are narrow, serpentine, often surfaced poorly and, in March, uncrowded blissfully. *Not that one could* (or should) take any chances. A blind bend might conceal a log-laden 40-tonne truck, on the wrong side of the road because the driver knows that a wheel or two over the edge means a drop into a valley far below.

I had not enjoyed myself so much in a car for years. The Corvette, for all its size, handled like a polo pony, not a heavy hunter.

The all-independent suspension has selective ride control. At the turn of a knob it offers close to saloon-car resilience on poor roads, stiffens up for roll-free cornering and a firm ride on highways, or becomes really hard for competitive driving on a track.

Power steering (the wheel tilts and the column telescopes) is weighted perfectly. The enormous Goodyears are *so directionally responsive,* they allow the Corvette almost to be thought round bends rather than steered consciously. A very sophisticated Bosch ABS braking system matches *stopping* power under all conditions to the high performance.

How high? Again, I really cannot say. Chevrolet hints at 0-60 mph (0-96 kmh) acceleration in well under 4.5 seconds – faster than *any* Porsche, the fiercest 911 Turbo included. Goodyear says its peerless Eagles are fine for speeds of up to 193 mph (310 kmh).

This is for fantasy land or, at any rate, the privacy of a racing circuit. On the road, a Corvette with responsible hands on the wheel copes with any *situation requiring power, handling* or braking with an ease that borders on contempt.

Considering the power it has *to* transmit, the clutch is miraculously light and the six-speed gearshift is silky.

Everything about the seats is powered – to and fro, up and down and tilt adjustment, even *the firmness* of *the bottom*-squeezing side bolsters – and they fitted me like a padded plaster cast. Although the instrumentation is digital, I almost grew to like it. Under the tailgate is realistic luggage space for two.

There is, of course, air conditioning. You can have a complete transparent top of sun-blocking glass. A key-operated switch will reduce engine power to that of a "cooking" Corvette, so the fellow who parks your car at a restaurant cannot take off in a cloud of tyre *smoke.*

An electronic "pass key" for the ignition is so effective that almost the only Corvettes *stolen since the system* was introduced in 1986 had been left with the keys in.

Naturally, the Corvette has full catalytic exhaust emission equipment and runs only on *lead-free fuel. This is* exceedingly hard to come by in France. On a recent Calais to Geneva and back trip, I saw just one "green" pump – and that was not working.

After a day of hard driving, mostly in the lower four gears, the computer said I had done 17.2 mpg (16.42 1/100 km). Cruising on a motorway at 80 mph (130 kmh) and only 2,000 rpm. *I would put money on a* Corvette ZR-1 returning 25 mpg (11.3 1/100 km).

Next day, it rained so hard that the watering system on the wet handling circuit at Goodyear's Mireval tyre-proving ground, near Montpellier, was hardly needed. I made a couple of backwards and sideways *excursions on to the* gravel – but what is the point of taking a car on a handling circuit if you don't push it hard enough to spin off?

The Corvette behaved as beautifully in the wet as it had in the dry with the great, fat Eagles hanging on at cornering speeds one would not dare use on public roads. Stamping on the ABS brakes while steering through a sharp lane change at 55 mph (88 kmh) could not upset the Corvette. It stopped quickly and controllably.

European super-sports car buffs have been patronising about Corvettes in the past. And I have to say that one I drove five years ago was a different animal. Yes, it was quick, but it had a pretty awful ride and so much chassis-transmitted tyre noise that, when I went from one road *surface* to another, it was like pulling out a different stop on an organ. But not the ZR-1. Chevrolet and Goodyear have together achieved a quantum leap in ride comfort and noise suppression.

If I sound knocked out by the ZR-1, it is only because I was. In the US, it costs around $50,000. A UK price of around £40,000 has been mentioned. Only left-hand drive cars will be imported because GM has not even considered the possibility of right-hand steering.

At £40,000, it would be the same price as a Porsche 944 Turbo (with a four-cylinder engine) and considerably less than half that of a Ferrari Testarossa or Aston Martin Vantage. I see it as a sports car one buys to drive, even to commute in, not lock away in a garage as an appreciating investment.

Why Japan dominates

NOTHING demonstrates better Japan's domination of the recreational four-wheel drive market than two of the latest cars to arrive in Britain. The Daihatsu Sportrak is everything a small-scale, on-off roader should be at a seductively low price. And the new Nissan Prairie 4x4 is a compact but roomy people-mover, cast in a similar mould to the Renault Espace or Mitsubishi Space Wagon. I have a Prairie on test at the moment – more soon.

Although completely different in looks, the Sportrak and Prairie have one thing in common. They drive like cars on the road but have as much (in the case of the Sportrak, more) off-road capability than at least 90 per cent of 4x4 buyers ever need.

Think of the Sportrak as a baby Range Rover. It costs £8,995 as a soft-top, £9,995 with an estate-car type body. The engine is a sweet-as-a-nut 16-valve, 1.6-litre running on unleaded petrol; the gearbox a slick five-speeder; power steering is standard; and free-wheeling front hubs lock automatically when four-wheel drive is selected

On the road, it cruises with a fair amount of wind and tyre noise at 80 mph (130 kmh) and has another 10 mph (16 kmh) in hand, but it runs as quietly as some cars at 70 mph (113 kmh). Given that you are not too heavy-footed, it will return about 30 mpg (9.4 1/100 km)

Comfortable and easily-driveable though it is on the road, it is a gutsy performer on really rough stuff. I took it over a military vehicle test ground made soggy by torrential rain. I have banged about there many times before in hobnail-booted off-road machines like Land Rovers, and I have to say the Sportrak did everything they did but in far greater comfort.

Few if any owners will, I dare say, want to drive it in and out of obstacles like bomb craters. It is far more likely to be used as a second car.

The only other vehicle like it at present is the Suzuki Vitara, a fraction smaller and, with power steering, costing £9,750. Good though the Vitara is – and it is an excellent on-off road recreational runabout – I rate the Sportrak even better.

S.M.

Daihatsu's Sportrak EL – a gutsy performer on the rough stuff

French cuisine as it should be

AS ANYONE who takes a car to France regularly knows, you can get a clean double room for a tenner and, for the same amount, a four-course tourist menu that would be rated exceptional value at twice the price in many a British restaurant.

Mind you, one can still be ripped off in France, with tinned vegetables instead of fresh ones and common plonk at fine wine prices.

To avoid the black spots, read Patricia Fenn's P&O European Ferries French Entree guides. They cover the Channel ports, Normandy and Brittany; the latest one deals with the Loire. (Quiller Press £4.95, from bookshops or P&O European Ferries, Channel View Road, Dover, CT17 9TJ).

Getting a memorable meal if no expense is spared is not difficult. Pat Fenn's talent is to find places that delight the stomach but spare the pocket.

There are some very good short-break deals on offer from P&O European ferries, which runs ocean liner-sized super-ferries that are by far the nicest way of crossing the Channel.

S.M.

Bridge

WE START today with rubber bridge. Here is The Thought That Counts:

N
♠ A Q 7 2
♥ 9 8 6 2
♦ A K 9 4
♣ K

W
♠ 5
♥ K 10 5 4
♦ J 3
♣ A J 7 6 4 2

E
♠ 9 3
♥ J 7 3
♦ 10 8 5 2
♣ 10 9 8 3

S
♠ K J 10 8 6 4
♥ A Q
♦ Q 7 6
♣ Q 5

At game-all, South dealt and opened with one spade. North replied three diamonds and raised the opener's re-bid of three spades to four. South showed his heart control with five hearts and North, with a singleton club king, went six spades.

West, fearing that to lead the club ace might be disastrous, decided to lead his five of spades. The king took the trick. Declarer played a second spade to dummy's queen and cashed queen, king and ace of diamonds.

Disappointed that this suit did not break, South was prepared to rely on the heart finesse when, suddenly, he saw an extra chance. He ruffed the last diamond *and cut adrift,* not with the five of clubs but with the queen.

This deceptive play was to persuade West, if he should take the trick, that South was now void of clubs. West was taken in and, terrified of giving a ruff discard – an error which evokes more abuse from the partner than any other - West returned a heart into the major tenace and it was all over.

West deserves no sympathy. He ought to have counted declarer's hand. He is known to hold six spades and three diamonds. If the club queen is a genuine card he must hold three hearts, and just one ruff *discard* will not permit him to dispose of two hearts.

A club return is ruffed on the table. Now the declarer has to try the heart finesse and the slam is lost. Note that the sacrifice of the club queen costs nothing – there is no good discard for it.

Another deal from a rubber shows us The Double Endplay:

N
♠ 10 8 6 4 2
♥ 9 4
♦ K 7
♣ A 10 7 3

W
♠ K
♥ Q J 10 6
♦ 9 8 6 3 2
♣ J 5 4

E
♠ A 5
♥ K 7 5 3 2
♦ Q J 10 4
♣ Q 8

S
♠ Q J 9 7 3
♥ A 8
♦ A 5
♣ K 9 6 2

With East-West vulnerable, South dealt and bid one spade, and went four spades after a double raise from his partner. West opened with the heart queen. Taking with his ace, South cashed ace and king of diamonds and followed with a heart. West won with the 10 – it does not help if East wins – and was endplayed.

To stop a possible second endplay, West cashed his spade king and played a diamond. Then West counted the declarer's *hand* – five spades, two hearts, two diamonds and four clubs – and knew that one ruff discard would not be fatal.

Ruffing in dummy, declarer discarded a club from hand and played another trump. East was now endplayed and he had no escape. He led the queen of clubs and South took with his king. He was certain that West held the knave – if East had held both these honours, he *would surely have led* the knave, the standard *false* card in such a situation – and then finessed dummy's 10. This held and the contract was made.

One endplay is bad enough – West was able to find the escape route – but a second endplay is too much to cope with. East-West had every reason to declare that justice had fled the earth.

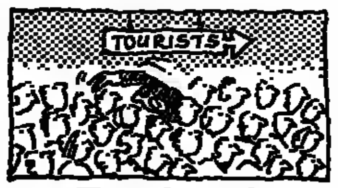
E. P. C. Cotter

TRAVEL

Why I'd much rather be in California

Big distances are easy. It is crossing London that sends the weary traveller's distress quotient soaring

THE AGONY AND THE ECSTASY



Travels with Michael Thompson-Noel

WE ARE not amused. We are so extraordinarily unamused by the state of London's transport, that our DQ (distress quotient) has soared to record highs – beyond view or measurement. We are cross. And mad. It is all too violently sick-making.

The politicians and bureaucrats have made such a mess of the capital that I am coming to the view that it is marginally easier – or, at any rate, less stressful – to travel really long distances (California, say) than to traverse London.

In recent weeks I have travelled to the tip of Cornwall, to Jamaica, Casablanca, Los Angeles, Las Vegas, northern Arizona and Barbados: all with measurably less battering of my DQ than is inflicted by the average east-west journey across London from Notting Hill, where I live, to Number One, Southwark Bridge – gateway to the south, staircase to the stars – where I now carry on my line of business.

After hours in the hellish crossfire of London's traffic or Underground, I arrive at Number One, Southwark Bridge looking considerably less svelte than when I left home – and am assailed, straight away, by the peculiar demands of high-tech office life.

I visit the company doctor, the company nurse, the physiotherapist, the posture consultant and, finally, the stress counsellor – after which I am flung, once more, into the appalling demi-world of the London Underground, or catapulted into the arteriosclerotic maze of the capital's traffic.

Not that I waste the time. To while away the hours, I carry a large green bag stuffed full of excellent reading matter. One morning this week, trapped on the Circle Line, I pushed in my thumb and pulled out a plum: a document entitled *Tourism: A Portrait Of The Hotel and Tourism Industry*, produced to celebrate the silver jubilee of Horwath and Horwath (UK), a noted tourism, hotel and leisure consultancy. It is available from Horwath and Horwath at 8 Baker St, London 1M 1DA, priced £26.25.

It is an invigorating piece of work, but one that will make your hair stand on end. Quite simply, tourism seems to be growing unchecked. It is already a big industry, but will become much bigger – piling up enormous problems in the years ahead that will make the 1990s' paralysis of the world's cities seem like chicken feed.

Dr W. Pahr, secretary-general of the World Tourism Organisation (WTO), writes in a foreword to the report: "Tourism has become a very important industry ... In 1987, it generated 12 per cent of world gross national product and accounted for over 5 per cent of world trade. Twenty out of every 100 workers are employed in tourism-related activities. According to WTO statistics, some 355m international tourists spent around $150bn [in 1987]."

Pahr claims that the "indifferent or even hostile attitude [of governments] to tourism is gradually evaporating, giving way to a pragmatic, problem-oriented approach which can only benefit future development."

But he insists that today's tourists have rising expectations so far as environment and heritage are concerned; that demand is increasing for quality tourism products; that bigger efforts must be made internationally to improve security and protection of tourists and tourist facilities, and that the tourism industry must be liberalised further.

"Air transport, for example, has opened to mass travel places that were only exotic points on the map. Communications technology has led to the establishment of networks that link clients, operators and suppliers of tourism services throughout the world, yet both sectors have become the prey of practices which, from the tourism standpoint, look increasingly uncompetitive. Information and reservation networks remain in the hands of a few powerful multinationals, while deregulation of air transport has so far been confined to only one side of the Atlantic."

By the time I had finished with Pahr, I had switched from the Circle Line to the Central Line and then to a No. 15 bus and was reading Len Lickorish, a former director-general of the British Tourist Authority, who was explaining that while international tourism had expanded from 81m arrivals in 1962 to 355m in 1987, regional distribution has altered only slowly.

International travel is still concentrated heavily in just 20 countries, which account for two-thirds of international visitor movements. The US has lost share recently (from 25.5 per cent of world tourism revenues to 21 per cent in the five years to 1987); Europe has remained steady, and by 1987 the Middle East, Africa and South Asia still accounted for only 6.6 per cent of world spend. In contrast, east Asia and the Pacific, including Japan and Hong Kong, ballooned from 5.2 to 12.3 per cent of world spend between 1972 and 1987, and is now the fastest growing area in world travel.

The No. 15 bus proved even slower than the Central Line so I walked 400 yards, dodged through a department store, circumnavigated several major digs, endured a short taxi ride and hopped on to an obscure offshoot of the Metropolitan Line – bloody but unbowed, you might say.

Entombed between Baker Street and Paddington, I continued to dip in and out of *Tourism: A Portrait*, discovering, for instance, that whereas tourism's growth rate has tended to slow in the 1980s, many forecasters anticipate a cumulative annual growth of more than 4 per cent for the rest of the century – representing a doubling of tourist numbers over a 20-year period.

One of the emerging markets is said to be east Europe. Yugoslavia, Poland, Hungary and Bulgaria are said to do more tourist business than the Soviet Union already although the latter, via the dreaded Intourist, has said it is budgeting for sizeable investment in 30 new hotels and has set up three new training schools to help form a large cadre of management specialists for hotels and restaurants.

And China is pushing hard. In 1987 China received 3.75m foreign tourists, nearly five times as many as in 1978, spending $1.84bn. By 2000, it could be hosting 10m foreign visitors. According to Zhang Xin Sheng, vice-chairman of the country's National Tourism Administration: "In China there are more places than the tourist can visit in one trip, more delicacies than he can taste and more souvenirs worth buying than in any other destination in the world."

It occurs to me that we will know that the end of the world is nigh when Lhasa gets a Central Line. Or a No. 15 bus.

Oman emerges from purdah

UNTIL comparatively recently, the idea of taking a holiday in the Arabia Peninsula would have been unthinkable. In the case of Oman it was impossible, at least for Western tourists, until this year. Thanks mainly to the oil price collapse and the need to earn foreign exchange by other means, however, this reclusive Moslem kingdom is now taking its place shyly among the world's most exotic destinations.

As with its Russian equivalent, this example of Arab glasnost does not imply the removal of all barriers. Tourists still face considerable restrictions. For example, before they can obtain a visa they must equip themselves with a No Objection Certificate. This can be obtained through an approved tour operator but takes time and can only be issued on a group basis.

Individual travel in Oman remains impossible. This being so, all visitors inevitably will end up staying in one of the several very comfortable, if somewhat characterless, business hotels (there are both a Holiday Inn and a Hilton to choose from). Very likely they will spend most of their time based in Muscat, but there is sure to be an excursion down south for a few nights.

In the capital, there are a couple of excellent small museums and an extremely well laid-out and informative exhibition at the Marine Biology Centre, where the most alluring display is a tank full of turtles which splash around helplessly like aquatic puppies. But apart from these, and the neatly restored buildings of the old city centre, there is little to divert the curious traveller. Everything is too new and too fresh. You could not spend a morning walking around Muscat and say you had laid your finger on the country's pulse. You feel there has to be more to the country than ordered rows of tenement blocks and car parks full of shiny Toyotas.

And so, of course, there is. A visit to Nizwah, 100 miles inland, is impressive proof of this. Although here, too, there are plenty of modern buildings and an abundance of smart Japanese cars, you are at once aware of a more elemental quality. The proximity of the desert can be felt everywhere. Here, the women dress formally in purdah. Clearly, there is not the easy tolerance of the capital, where women are veiled only rarely. You also see men wearing the traditional curved dagger – and not just for ornament, one suspects.

Faces of Oman . . . the boys' secondary school at Wattayeh is the largest in the country, with 900 pupils

Livestock is traded under a tree in the city centre. Calves and goats jostle squatting herdsmen; sitting against the trunk is a scribe recording transactions in an ancient ledger. Inside the souk, with its dimly-lit jumble of shops, you could almost believe the oil had yet to be found.

There are sacks of spices and piles of fruit and vegetables – just as for centuries past. Bird-faced merchants sit cross-legged in the disorder. It is only when your eyes become accustomed to the light that you see the shelves of soap and shampoo, deodorant and scent.

Looking closely at the rows of household names, wonder gives way to puzzlement. The familiar-looking packages are not quite what they seem. The distinctive bottle of Head and Shoulders shampoo is oddly labelled "Hair and Shelders." In another shop it has become "Head and Shine." Minute examination reveals they are all "Made in Taiwan," as are each of the bottles of "Perfume de Paris" and much else besides.

None of this should surprise us, for Oman has a long and brilliant history as a nation of traders and merchants. During the 17th, 18th and 19th centuries, it had an extensive empire which included Zanzibar and provinces in Persia and Baluchistan.

Nevertheless, direct foreign influence on Oman was minimal. Only the Portuguese actually established themselves on Omani soil. Today, their legacy amounts to a handful of fortresses in and around Muscat. These are worthy examples of their genre but are far less remarkable than the spectacular Bahla Fort, recently admitted to UNESCO's Index of the World's Cultural Heritage.

This is an entirely home-grown product, distinguished by its long outer wall. Another Omani masterpiece is the fort at Jarbin, about 30 miles from Nizwah. This former palace of the Imam Bilarab Bin Sultan Al-Yaaraba was built during the 17th century. It stands in the centre of a small oasis set in the midst of an archetypal desert plain bounded by cruelly jagged mountains.

Inside, it is just as you would hope. There are endless trapdoors, dungeons and secret passages. In the chieftain's conference chamber there are hiding places for his spies, and the staircases and doorways have louvres for boiling oil to be poured onto the heads of would-be maranders. Its mosque is disguised so an infidel enemy could not tell from afar where to concentrate his attack. There is ornament, too – fabulous murals and painted ceilings; verses from the Koran and of poetry are inscribed in gold at strategic places. Allah's name is invoked constantly.

Very sensibly, official policy has been to restore rather than replace, although this means that many rooms are relatively bare. But in such a dramatic setting, it is not hard for the imagination to crowd the place with silk wall-hangings and tapestries, gold and silver plate, clusters of fabulously-attired women attendant upon the imam's least whim, and enclaves of men bristling with weapons. It is a magical place.

Indeed, if you are looking for an exotic but still unspoiled destination, Oman would make for an unusual and rewarding winter holiday.

Alexander Norman

Great dictators who were so sensitive

Malcolm Rutherford looks at the days when newspaper proprietors toed the line

IN MAY 1939 the British Consul in Los Angeles reported to the Foreign Office that Charlie Chaplin was making a film in Hollywood about the European dictators containing "bitter and ridiculous satire which Mr Chaplin was entering into with fanatical enthusiasm".

The Foreign Office took the warning seriously and urged the British Board of Film Censors to exercise the "most careful scrutiny", should the film be presented for a licence.

There was a lot of such sensitivity about. In 1941, when the Daily Mirror printed an article critical of General Franco, the British Ambassador in Madrid complained to London and a British official minuted: "It seems to me that one solution would be for the proprietor of the Daily Mirror to become involved in a nasty accident." And throughout the late 1930s attacks in the British press on Hitler and Mussolini tended to be discouraged on the grounds that the dictators (poor things) were hypersensitive to criticism.

To some extent, we have been here before. Anyone who wants to must know by now that the British press as a whole was both pro-Appeasement and pro-Neville Chamberlain, the Prime Minister of the time. Where Richard Cockett breaks new ground is in showing that the acquiescence in appeasement went much wider than is generally supposed, and that large sections of the press were quite deliberately cultivated – Cockett's word is "manipulated" – from the very top of government.

It was not just Geoffrey Dawson, the editor of The Times, and Lord Beaverbrook, the proprietor of the Daily Express, who willingly swallowed the appeasement line. Sir Walter Layton, the editor-in-chief of the liberal News Chronicle, and Lord Southbwood, proprietor of the Labour Daily Herald, fell for the government line as well. Indeed one of the very few editors to stand against it was Arthur Mann of the Yorkshire Post, and he was under constant harrassment from the Conservative Party for his pains.

TWILIGHT OF TRUTH: CHAMBERLAIN, APPEASEMENT & THE MANIPULATION OF THE PRESS
by Richard Cockett
Weidenfeld & Nicolson £18.95, 229 pages

Chamberlain worked through a man of whom very little is known. He was called George Steward and was the first of what has come to be named the Prime Minister's Press Secretary. Steward would brief the press on government affairs. He did it unattributably – so that no sources could be given – and he concentrated on the lobby correspondents, people whose main business was to write about politics without consulting specialist departments.

In fact, Steward was a career civil servant who was brought into No 10 Downing Street from the Treasury by a previous Prime Minister, Ramsay MacDonald. But it was Chamberlain who discovered what a faithful press secretary could do, and Steward was absolutely loyal to the Prime Minister of the day. It is just possible that Chamberalin did not know that Steward was also briefing the German Embassy in London. The unearthing of those extramural activities was done by an MI5 mole inside the Embassy, yet the Prime Minister cannot have been entirely surprised.

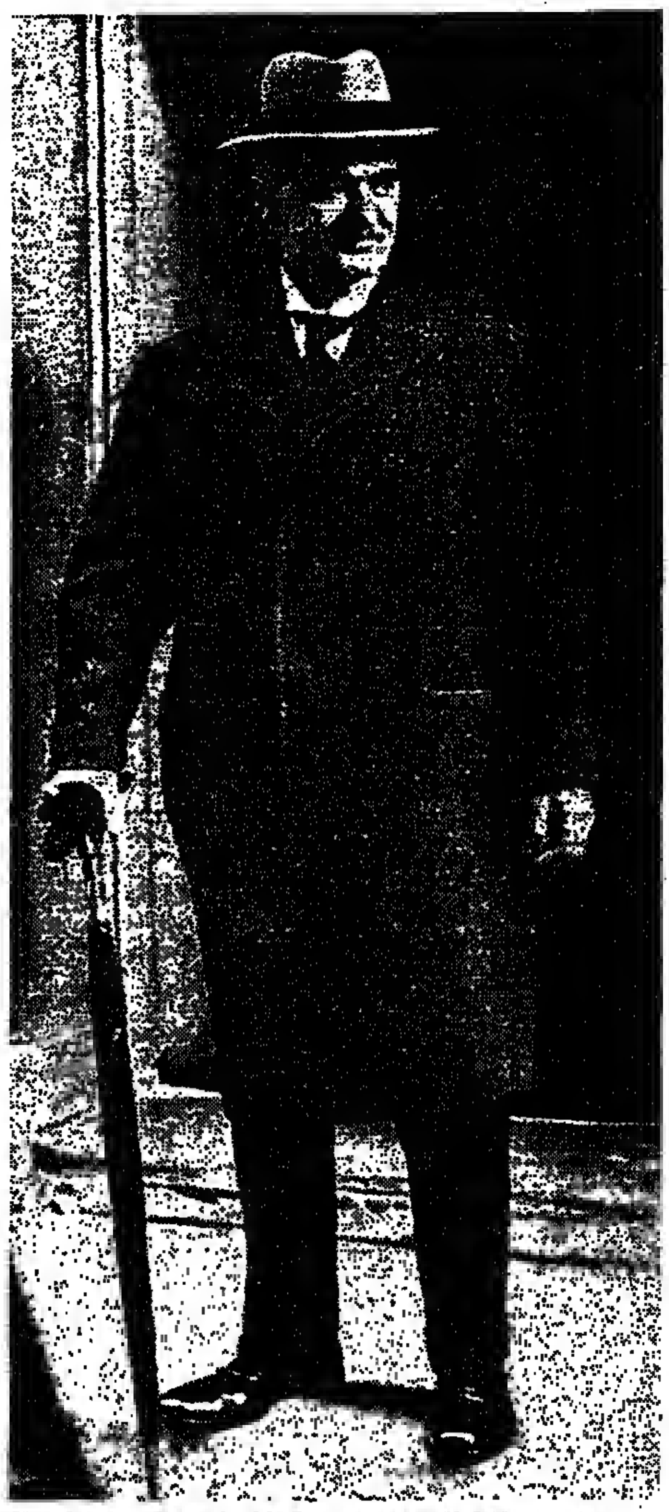
Chamberlain did not rely on Steward alone. Sometimes he briefed the lobby correspondents himself, which was even more flattering. He also appealed directly to editors and proprietors. So did some of his closest colleagues: Lord Halifax, who became Foreign Secretary in 1938, and Sir Samuel Hoare, the Home Secretary and then Lord Privy Seal. Cockett demonstrates that their contacts with, and influence on, the press were both more frequent and wider than has previously been published.

The Foreign Office had its own News Department, then as now, somewhat independent of the Prime Minister's machine at No 10. From time to time it sought to put out views of its own, though it was itself divided about how to handle Hitler. The British Ambassador in Berlin, Sir Nevile Henderson, was one of the biggest appeasers of the lot. Thus when Sir Rex Leeper, the Foreign Office Spokesman, would tell diplomatic correspondents that No 10 was too optimistic about Hitler's intentions, no-one was quite sure for whom he was speaking.

In any case, under the British Official Secrets Act, Foreign Office officials were just as culpable for giving their views to the press as was the Prime Minister's Press Secretary. Cockett thinks that the diplomatic correspondents were as potentially gullible as the lobby correspondents.

There is a temptation to say that, 50 years on, nothing has changed. For George Steward read Bernard Ingham, the present Prime Minister's press secretary. For Chamberlain's approach to official information, read Margaret Thatcher's. The cult of the newspaper proprietor rather than the independent editor may also be coming back.

Yet Cockett is at his best in revealing new sources. This is his first book. He needs to decide whether he wants to be primarily an historian or a trendy campaigner. Excellent though his book is, it is a little bit too black and white. It is hard to believe that practically his entire cast were either villains or stooges, or both.



Chamberlain leaves for his first meeting with Hitler in 1938

A believable passion

IT WAS probably *Humboldt's Gift* – that brilliant account in novel form of writer and editor Delmore Schwarz's rise and fall – which tipped the scales in favour of Saul Bellow getting the Nobel Prize in 1976.

Before that, *Herzog* and *Dr Sammler's Planet* had spread *angst* around so liberally that it seemed the maestro in his 50s would never recapture the splendid ebullience of *Augie* and *Henderson The Rain King*. Nor did he, in fact, after the temporary rally of *Humboldt* or Albert Corde in *The Dean's December* return us to *angst* with a vengeance.

There seemed little to choose between corruption in Chicago and the dark night of the soul in Bucarest. Whither man? But more to the point, whither Saul? The man had the power to take the novel into a form of expression so pregnant with connotation, so thrilling its finger-tip awareness of the nuances of the human situation as to constitute the first real advance in the form since the death of Faulkner. Only the charge was lacking, the positive element which would balance the negativeness of Bellow's doom-laden view of life in the 80s.

But one cannot turn positive feelings on like a tap. And so Bellow turned back to the lode he had tapped in *Augie*. *Him with his Foot in his Mouth* and *More Die of Heartbreak* may not have been exactly what we were hoping for but they were a great joy. In the process this most provocative of contemporary novelists developed a kind of Bellowspeak in which wisecracks mingled with casual references to Hegelian philosophy or the latest advances in crystallography.

And so it is with *A Theft*; Bellowspeak prevails. We swim in a sea of Washington politics in which the flotsam and jetsam are knowledgeable references to Lalique glassware and the mores of Haitian immigrants. But below all this there is a deep and abiding knowledge of the human heart. "I love you with my soul," says Clara Velde to her highly placed lover. What at one end of the scale would be Mills and Boon is turned by Bellow's intelligence and sensibility into believable passion.

A THEFT: A NOVELLA
by Saul Bellow
Penguin £3.50, 109 pages

Clara, Bellow's "first major heroine," is in love with Ithiel Regler. Ithiel is one of those men of power who have tended to proliferate in Bellow's fiction since he became a Nobel laureate. They rub shoulders with Kissinger and are flown in for seminars on nuclear strategy. Ithiel is, in several ways, out of Clara's reach although she, in her way, is high-powered enough – an executive with "an international publishing group."

Clara is described as a big-boned, blue-eyed farmer's daughter from Indiana who reads Greek at Bloomington and Jacobean literature at Wellesley. She has had four husbands, the first two of whom were nonentities and the third, Spontini, an oil tycoon. Her fourth and current husband, Wilder Velde, by whom she has had her three little girls, is an indolent campaign organiser.

Ithiel, her soul mate, gives Clara an emerald which becomes for her a talisman. First she mislays it, then it is stolen. The way she gets it back from the au pair's Haitian lover reveals Clara to herself.

Gina Wegman, the au pair, is as important to the novella as Clara. They both understand what is important in life; they are "complete people."

Despite its shortness *A Theft* is a landmark in Bellow's fiction; tentatively but surely he has moved from mourning into morning. Aged 74 in June, he is still going strong. All he needs to hit the jackpot is to expand the range while maintaining the tone.

Geoffrey Moore

Rising to art's challenge

THE POSTER has always been a fascinating art form, challenging the artist's imagination and skills while imposing the tough disciplines of advertising. The air transport industry was a late arrival but in the 1930s and, after the hiatus of war, in the 50s and 60s, demonstrated that the aviation poster offered a fertile field for artistic talent.

In its early days the emphasis in aviation poster art was on the glamour of the destinations served. The airlines needed to make a sharp and immediate impact upon a public as yet unaccustomed to air travel. Posters concentrated upon wooing customers to fly to exotic places, ignoring the high costs involved.

With the emergence of mass air travel of the past 20 years or so, the emphasis has changed. Today, although glamour is still there to some extent, it has become subordinated to the benefits of cheap fares and the relative merits of the different standards of en route comfort offered.

RIDING THE SKIES: CLASSIC POSTERS FROM THE GOLDEN AGE OF FLYING
Bloomsbury £16.95, 144 pages

This book, culled from more than 70 posters in the archives of British Airways and its many direct predecessors and associates, illustrates how change in attitudes has been reflected in the styles of art employed, and how well the artists solved the problem of marrying creativity to advertising impact.

The posters range from simple, dramatic statements of fact, with cleverly designed logos, such as the original Speedbird created by Theyre Lee-Elliott for Imperial Airways in 1932 (and used by its descendants, BOAC and British Airways, until 1984), to the enticing artistry of Frank Wootton's imaginative work for BOAC in the 1950s.

The emphasis is on British and Commonwealth airlines, and the book would have benefitted from inclusion of some of the imaginative and stylish early posters produced by foreign airlines such as Air France.

Nevertheless, it is a work of art in its own right, and a valuable historical record of the changing character of one aspect of commercial aviation. It is a welcome addition to any aviation buff's bookshelf.

Michael Donne

Soulful sisters of the Brotherhood

Peter Quennell admires a scholarly study of the loves, lusts and luminaries of the pre-Raphaelites

IN FEBRUARY 1867, Henry James, a lonely traveller then aged 26, landed on British soil and immediately hastened to London, where rain was falling and the city's "low black houses" resembled "so many rows of coal-scuttles." These black houses, he said, looked just as dismal and devoid of life. But his spirits soon rose and before long he had settled down to what he called "a banquet of initiation," at which he gathered new friends and feasted on a host of fresh ideas.

For example, he visited William Morris, that "noble and delightful poet" and met the great man's strange, impressive wife. "Imagine," he told his sister, Alice, "a tall, lean woman in a long dress of some *dead purple stuff* . . . with a mass of crisp, black hair heaped on each of her temples . . . sad, deep, dark, Swinburnian eyes . . . a long neck without any collar and, in lieu thereof, some dozen strings of outlandish beads."

After dinner, while Morris read aloud from one of his own poems, Jane Morris, who was suffering from toothache, stretched out on a sofa, a handkerchief across her face. It made a memorable scene – the poet declaiming his own verses, a room full of picturesque bric-à-brac, and in a corner "this dark, silent, mediaeval woman with her mediaeval toothache" which somehow suited the occasion.

Other luminaries of the pre-Raphaelite Brotherhood whom the young American encountered were Edward and Georgiana Burne-Jones, who presently became close friends, and Swinburne, a vociferous conversationalist who, with his huge mop of auburn hair, seemed to have more head than body. James was also admitted to Rossetti's "delicious, melancholy old house in Chelsea", where the painter proved somewhat short-tempered, and James noted that the enigmatic Mrs Morris – no doubt he had already heard some studio gossip – was evidently Rossetti's favourite model.

Although Dr Gay Daly, the learned American author of *Pre-Raphaelites In Love*, does not refer to Henry James's visit, among her illustrations she includes a photograph of Jane Morris, looking rather crumpled and forlorn yet still magnificently romantic, taken a few years before he reached London; and again and again James's letters home give us a vivid impression of the fascinating characters Dr Daly deals with at far greater length. The product of eight years' research work, this is among the longest and most informative studies of the Pre-Raphaelite Brotherhood and their female associates we have had for some time.

A point she repeatedly makes is that, whereas modern critics are often inclined to assume that the Pre-Raphaelite painters existed largely in a world of dreams and visions and nostalgic glimpses of the past, they were, in fact, closely associated with contemporary life and with all the triumphs and the tragedies of passion.

Those tragedies were numerous. The Pre-Raphaelites worshipped the idea of love and were constantly obsessed by the women they pursued, a habit that to the woman herself on certain occasions did irreparable damage. Witness the fate of poor Elizabeth Siddal, by the Brotherhood nicknamed "Lizzie" or "Guggums," who, having long ago drifted far out of her emotional depth, cut short her brief existence with a heavy dose of laudanum, but not before she had enchanted Swinburne and posed in a warm bath to provide Millais with his magical re-creation of Ophelia's last hours.

PRE-RAPHAELITES IN LOVE
by Gay Daly
Collins £15.00, 468 pages

Haunted by remorse and regret, and in his later life a victim of chloral and whisky combined, Rossetti had the saddest ending. But then, none achieved the dignified serenity of a Victorian Grand Old Man. Even Burne-Jones, despite the solemn grace of the figures he painted, could not steer clear of wild domestic storms, as when Maria Zambaco, his unruly Greek mistress whom he had refused to make his second wife, threatened to drown herself in the turbid waters of the Regent's Canal. Her screams as the artist dragged her to safety so alarmed their neighbours, Robert and Elizabeth Browning, that they felt obliged to call the local police.

Gay Daly draws other interesting portraits – of Holman Hunt, who gave us both his biblical fantasy, The Scapegoat, and his topical sermon, The Awakening Conscience, and of Hunt's dear friend, John Everett Millais. Few 19th century English painters have had more material success than Millais. He claimed that, while working, he made £100 a day and could afford to live in princely state. The Shadow Of Death, where his subject was the youthful Jesus, alone brought him £10,500 from an enterprising London dealer.

But in the end his celebrity corroded his genius; and such pictures as Ophelia and The Blind Girl were at length followed by a series of vastly popular canvases, among them amusing records of his little daughter in church, solemnly listening to her first and sleepily to her second sermon. His expertise Millais would never lose – no-one, it was said, could paint a single leaf more rapidly and brilliantly – but, as he grew older, little else remained.

Dr Daly has chosen an absorbing topic and handles it with sympathy and learning. Here and there, nevertheless, she drops into a prose style that recalls the phraseology of a popular women's magazine. I cannot believe that Effie Millais ever "chortled" or that Elizabeth Siddal's modest father was "none-too-happy" that his bewitching daughter should become the model of an artist.

As a whole, however, *Pre-Raphaelites In Love* is a nicely constructed piece of work, based on a conscientious survey of the period. It is also well illustrated. The plates Dr Daly has shrewdly chosen will not only please the reader's eye. At the same time, they heighten the dramatic significance and increase the human pathos of the story she is telling.

Rossetti's Helen of Troy, for which he used model Annie Miller

Recipe for liberation

WHILE HER husband is on the hot plains caring for the mentally disturbed, Rachel raises her sons high up in an Indian hill station. Although she socialises with the other missionary wives, she prefers the company of Renuka, a cosmopolitan Indian woman who writes poetry and was once part of a lively artistic community in Calcutta.

Named after a legendary Indian figure, a wife who dared to have impure thoughts, Renuka is a natural rebel, a passionate, headstrong woman who never married because she found men "disappointing."

Rachel is editing a cook-book of recipes devised by the hill station women, "each one a poem," or at least a small revelation about the contributor's personality. Rachel's rhododendron jelly, a *delicate* concoction, reflects a taste for the exotic and sensual which she shares with Renuka, whose recipe is a love poem to her friend. Rachel cannot reciprocate, but the friendship liberates both women; it awakens the cautious Rachel to her sexuality, her need of a life beyond her family, and shakes Renuka out of her isolation.

In *Renuka* Stephen Alter tells the story of American missionaries living in India during the 1960s with simplicity and charm. He reveals Rachel's limitations, her fears, her naivety, without undermining the narrative. The pleasure the two women find in each other's company is sensitively handled and the society of hill women viewed with humour and understanding.

Janice Elliott's *Life on the Nile* is also about revelation in foreign parts. A group of Western tourists travel up the Nile, all of them, it seems, in possession or pursuit of mysteries. While her husband picks through archaeological ruins, Charlotte Hamp reads the journals of her great aunt who lived in Egypt during the independence movement of the 1920s and was brutally murdered. Charlotte tries to uncover the secret of her death but finds that none of the Egyptians want to talk about it. The other members of her party are equally elusive. Nobody knows what Nikolai, an itinerant Russian from Hampstead, is really doing in Egypt, or that Max, who is writing a book about Jacob in Egypt, is a dying man.

RENUKA
by Stephen Alter
André Deutsch £10.95, 215 pages

LIFE ON THE NILE
by Janice Elliott
Hodder & Stoughton £10.95, 176 pages

DALVA
by Jim Harrison
Jonathan Cape £12.95, 282 pages

It's not as dismal as it sounds. The trip down the Nile is a comedy of manners shadowed by the threat of a violent uprising. But the contemporary story with its stereotypical crass Americans and enigmatic Egyptians is less interesting than the one which unfolded 60 years ago.

The novel really comes alive with the aunt's description of her journey down the Nile, her impatience with the other British women who were content to live within the expatriate community, her infatuation with the country which led to an affair with one of the Egyptian rebels. Elliott skilfully joins the lives of the Charlotte and her aunt, both on journeys of discovery through an unfathomable land.

Jim Harrison's *Dalva* inherits a legacy of skeletons and journals full of the secrets of her great grandfather, a missionary and naturalist who tried to save a tribe of American Indians from destruction. But she has her own secrets. When she was 17, Dalva became pregnant after an affair with a half-Indian boy, the first and most important lover in her life. The child was put up for adoption and 30 years later she begins to search for him. At the same time she decides to release the journals to Michael, an academic who wants to write a book about her great grandfather.

Michael is Dalva's opposite, a 39-year-old adolescent who is *forever analysing his actions*, who must dissect rather than accept mysteries. Jim Harrison uses him to poke fun at the academic approach to history, its distrust of instinct and passion. Michael is a more comprehensible character than the self-contained Dalva or her heroic great grandfather. Yet all three are imprisoned in the past: the great grandfather embittered by the destruction of the Indians, Dalva still clinging to her dead lover, Michael acting out his teenage fantasies.

Dalva is a cumbersome novel written very much in the American idiom. The great grandfather's journal contains the most affecting, lucid passages, and he does emerge a fascinating man caught between two cultures. Dalva is less convincing; I suspect that she is a composite character created to fit the novel, an ambitious work which doesn't always succeed.

Wendy Brandmark

COLLECTING

The Russian revolutionaries

Janet Marsh previews an exceptional sale of 20th century art

A VALUABLE SIDE effect of the new spirit in the Soviet Union is to focus fresh attention on Russia's revolutionary role in world art in the second decade of this century. Soviat museums are bringing out non-objective works that could never be shown in the Stalinist years and after. In January, there was the first major Malevich exhibition in Moscow for 60 years. A lot of gaps in our knowledge of one of the most turbulent periods in art history are now likely to be filled.

Things happened at an alarming rate in Russian art of the early century. Movements and schools succeeded and usurped one another in a spirit that was often as belligerent as creative. At the opening of an exhibition in 1915, Kasimir Malevich and Vladimir Tatlin got into a fist-fight and had to be separated by another artist, Alexandra Exter. It was then decided to show their work in rooms apart (Tatlin labelled his room "Exhibition of *professional* painters").

The new spirit had been heralded in 1898 by the formation of a society and a magazine, *The World of Art*, edited by Diaghilev and Benois. The magazine united a circle of young, avant-garde artists and organised a series of exhibitions that introduced the French Impressionists to Russia and Russian art to western Europe. The movement culminated with the migrations of Diaghilev's Ballets Russes.

The graceful, nostalgic painting of Benois and Bakst and the Symbolists of the 1890s was to give way rapidly to tha aggressive avant-gardes that sprang up between the revolutions of 1905 and 1917, with a succession of styles and "isms." Russia developed its own brand of Futurism, in which painting was linked intimately with the literature of Mayakovsky, Blok and their circle. Other influences collided to produce Primitivist-Futurism and Cubo-Futurism.

Larionov's "Rayonnism," Malevich's "Suprematism" and the "Constructivism" preached by Tatlin, Pevsner and Gabo succeeded and conflicted. The "heroic" years of the revolution put the young Left in charge of the new art and art teaching, with the Constructivists – concerned with the practical, utilitarian function of art in architecture and industry – in the ascendant.


One of the important "architectonic" paintings by Liubov Popova to be offered at Sotheby's Russian sale next week

With the rise of Stalin, all this creativity and idealism was to be suppressed, although outside Russia it was to have permanent influence on the development of abstract art and architectural functionalism.

On April 6, Sotheby's in London has an exceptional sale of Russian 20th century and avant-garde art. The catalogue, arranged chronologically, provides a near-comprehensive history of the fecund decade from 1910 to 1920; Tatlin is practically the only major artist not represented. From Malevich, there is a Suprematist composition in crayon (estimate £80,000-100,000) and two drawings as well as work by two loyal followers, Anna and Nina Kogan.

Of exceptional importance is a group of "architectonic" paintings dating from 1917-18 by Liubov Popova, one of the outstanding painters of the Russian abstract school, who died young (from scarlet fever) in 1924. It will be surprising if these do not considerably exceed the estimates of £200,000 each.

This is the first time that any designs by the Leningrad Constructivist architect, Yakov Chernikov, have ever come on the market. Done originally as illustrations to his theoretical works on architecture, they are utopian, things-to-come dreams of chemical factories, observatories and houses of culture.

The drawings are being sold by the artist's grandson, a Moscow architect, in aid of a newly-founded International Forum of Young Architects which seems to echo many of the ideas of the original avant-gardes.

Another group of items unprecedented on the market is a collection of designs for the ill-fated Moscow Yiddish State Theatre; its collaborators were among the victims of the Jewish executions of 1952. The great actor-director Solomon Mikhoels, who figures prominently in the drawings and paintings, was assassinated in 1948.

The sale also includes early Soviet posters and poster designs. One for an obscure comedy film by the Stenberg brothers, who were leading Constructivists, is estimated at £6,000-8,000. A collection of Futurist and Constructivist book design includes work by Rodckenko, El Lissitzky and Malevich.

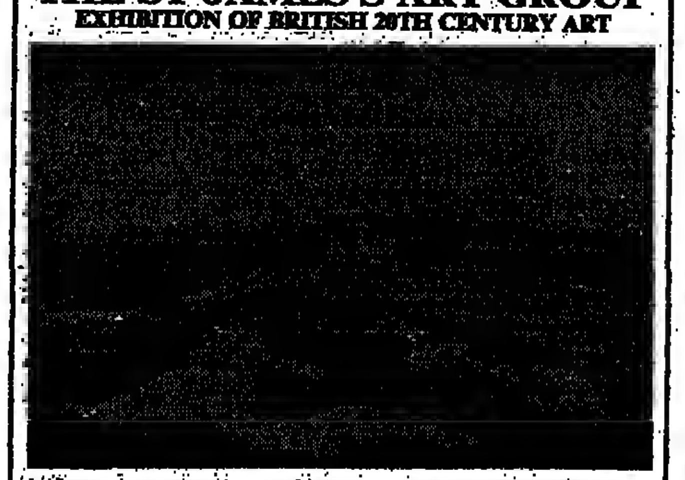
Another Sotheby's sale the following day, April 7, covers earlier periods and more traditionalist Russian art. There are poignant memories of the old regime that was dying at the moment that the artists were, as they believed, giving birth to a new world.

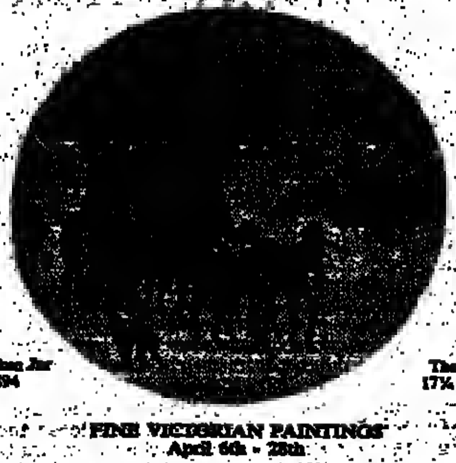
A collection of royal photographs includes a group of snapshots taken by the imperial children's English tutor, a Yorkshireman called Charles Sidney Gibbes. Gibbes, along with the French tutor, accompanied the family to Ekaterinaberg, in Siberia, where they were murdered. His pictures include a haunting image of the Tsar and Tsarevitch pausing to look questioningly into the camera while sawing wood for their prison stove. Gibbes was so affected by the events that he became a Russian Orthodox priest, as Father Nicholas.

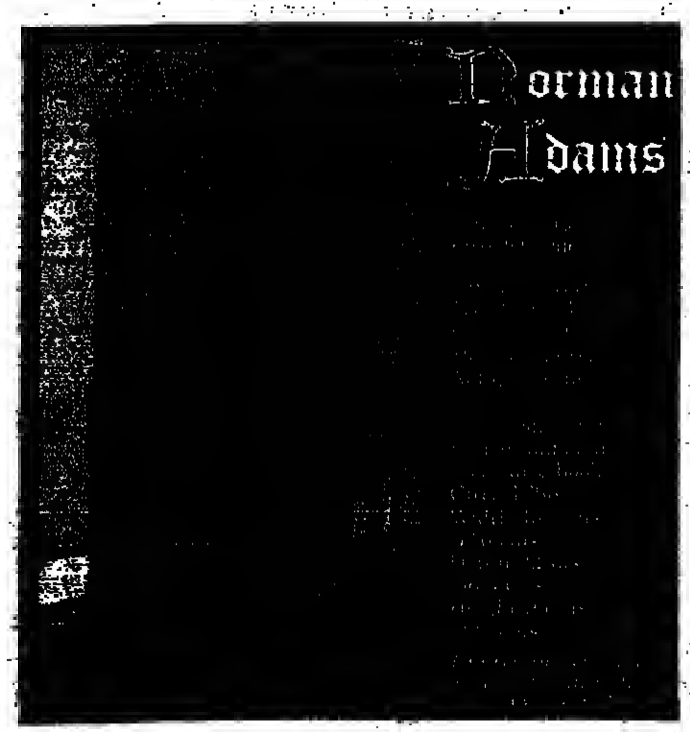
A no less extraordinary rediscovery from an earlier period of Russian cultural history is the hitherto unknown working manuscript of Turgenev's *Fathers and Sons*, written in 1861. (He recalled that the idea came to him while bathing at Ventnor, in the Isle of Wight, in August 1860.)

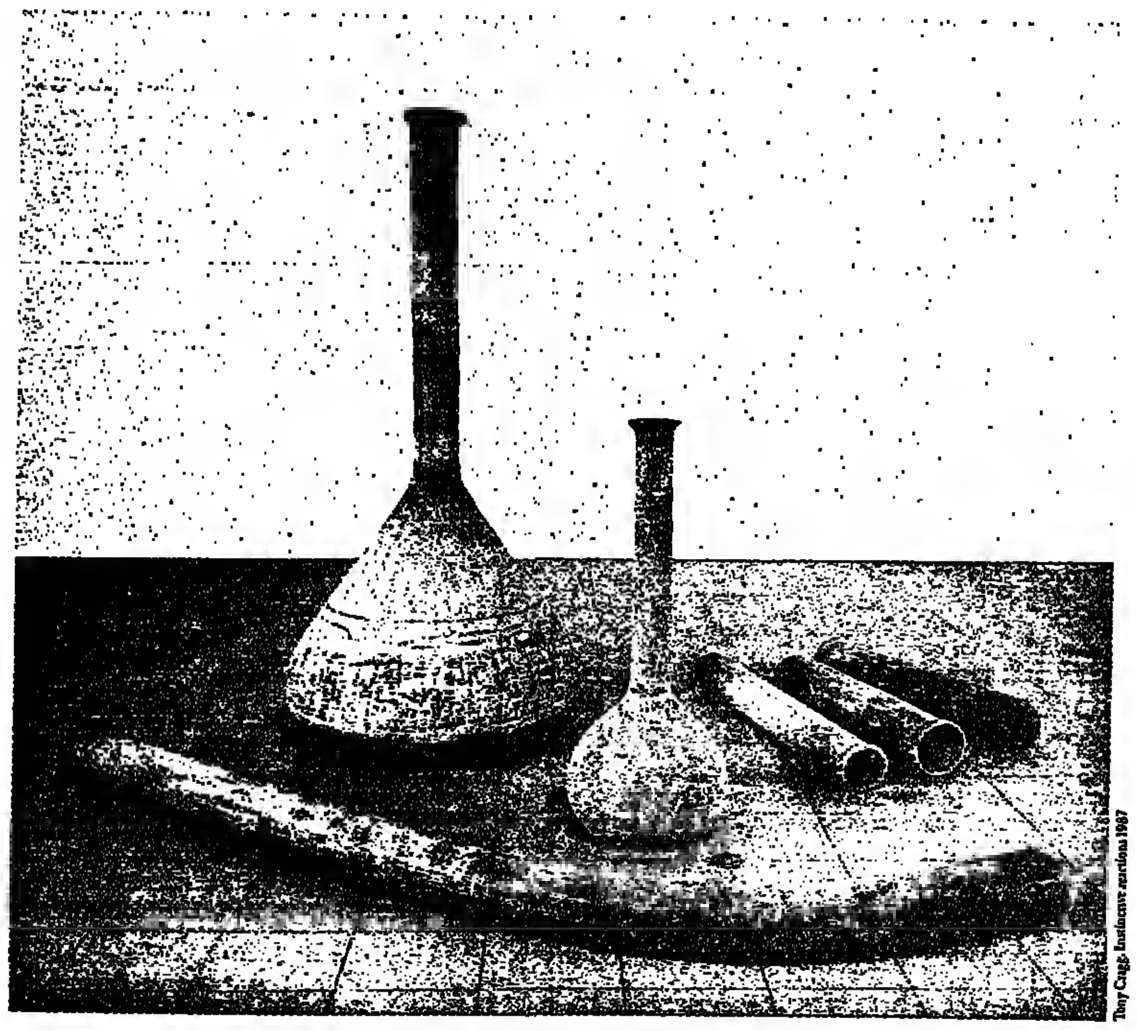
Altered and corrected extensively, the manuscript will be sold on May 18 when its price is likely to be second only to the record £1.1m paid for Kafka's autograph of *The Trial* last November.

This might have been the version of the manuscript over which Tolstoy fell asleep, to Turgenev's annoyance. The incident probably exacerbated the writers' subsequent quarrel, which led to a challenge to a duel. They thought better of it – fortunately, since otherwise the world might have lost either *War and Peace* or *Fathers and Sons* itself.









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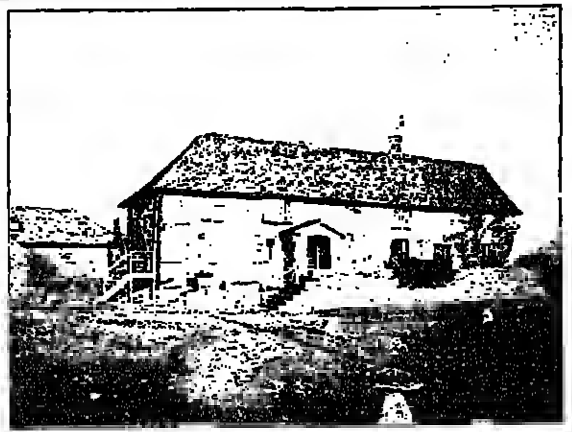

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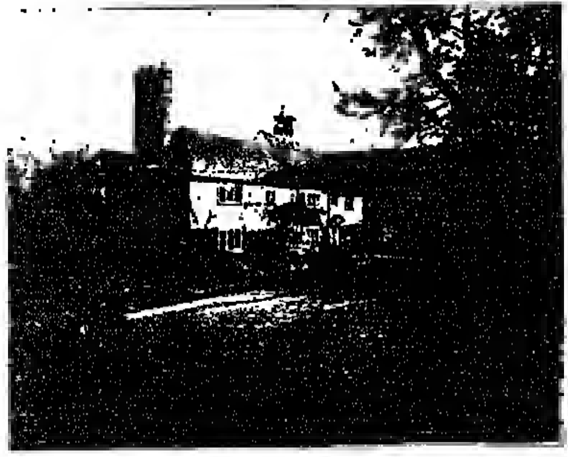

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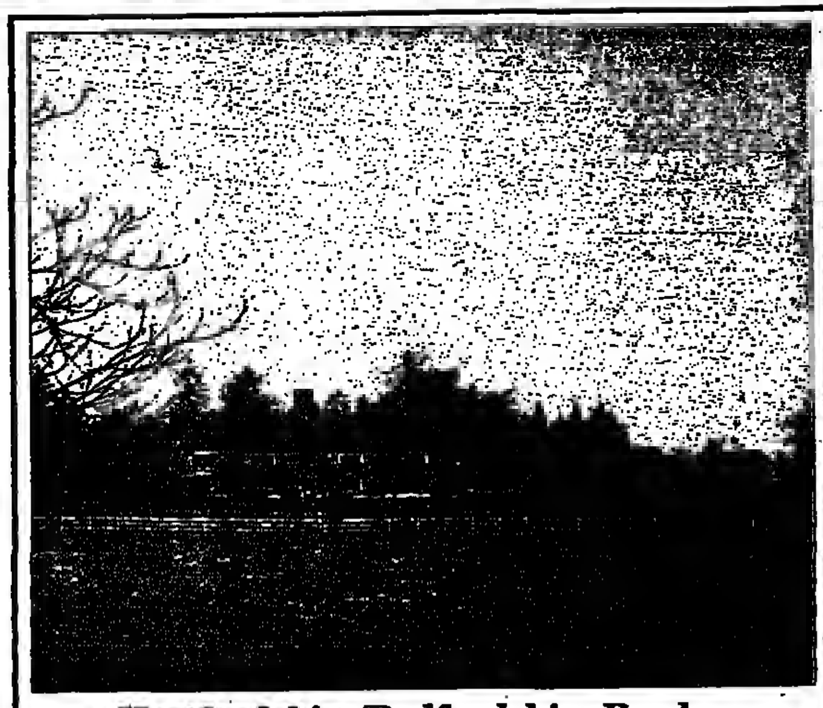

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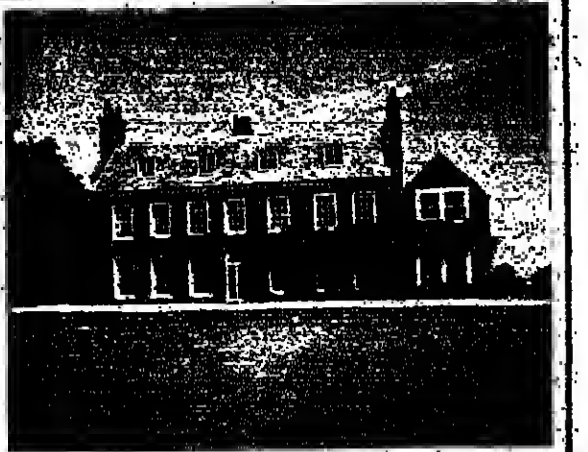
(PR/20436)



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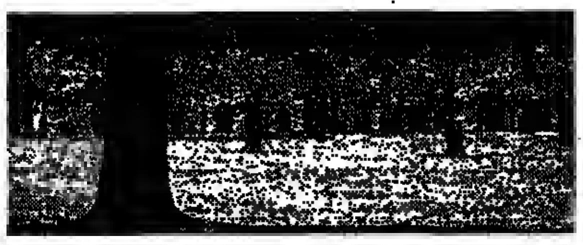

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Menorca, where a quieter life beckons

Audrey Powell *reports on a new development that caters for tourists and residents – but not quite alike*

SOME 20 per cent of the people – mainly British and Spanish – who buy in a development near Fornells, in the northern corner of the Balearic island of Menorca, do so for investment income. They purchase apartments in the white, red-roofed properties that cluster on the slopes running down to the coast, and let them for three or five years for a contracted income of between 7 and 8.5 per cent. They also look for capital appreciation. The development's marketing department claims that prices have gone up around 120 per cent in four years.

The project, where 350 of an eventual 900 holiday homes have been built, represents a growing market in Menorca. Prices there are about 35 per cent below those in Majorca.

Unusually, this Playas de Fornells development makes different provisions for those renting and owner-occupying its properties. A certain number of flats, known as "tourist" apartments, are built specially for letting. They are slightly smaller than the "residential" ones, have kitchenettes rather than kitchens, and miss out on the washing machines and tumble-driers in the owners' apartments.

They look the same externally (all are designed to echo the island's traditional lime-washed houses) but the tourist flats have their own bar, swimming pool, sports facilities and launderette arranged around them. The owner-occupiers relax in a different part of the estate at their sports and leisure centre, known as the Menorca Country Club; the £120 annual subscription to this is included in the £850 to £700 yearly maintenance charge on apartment owners.

An investor might pay £39,000 for a one-bedroom tourist apartment and up to £57,000 for two bedrooms. He could hand the flat back to the company – Hispaterra Menorquina SA – for letting from May to October each year. With one bedroom, he might expect a net income (with regular adjustment for inflation) of £3,300 the first year, £3,550 the second and £3,750 the third. Mortgages of 50 per cent would be available from a Spanish bank. Since the apartments have tiled floors, shutters and a well-equipped kitchenette, a minimum of furnishing is needed (the company offers a basic package from £1,500 for a one-bedroom flat).

Playas de Fornells . . . It makes different provisions for those renting and owner-occupying the apartments

Indeed, the bulk of the development is for holidaying owners who prefer the quiet atmosphere of this 450 sq. mile island to the more colourful goings-on across the water in Majorca or Ibiza. But there is sailing, wind-surfing, water-skiing and skin-diving to be had from the development's shore along with swimming pools, a gym and saunas at the club. This has its own restaurant and there are other eating and shopping facilities around the estate, although nothing is open in winter at present.

The residential apartments are the upper ones reached by outside stairways, although no building has more than three storeys. They range from £40,000 to £120,000 for between one and three bedrooms. All have balconies or patio areas. But choose carefully for, owing to the slope of the ground, a seaward-looking balcony might forfeit some of its sun-bathing potential.

As an alternative, you could buy a plot and have a villa built from £180,000 inclusive. A four-bedroom, three-bathroom design of 2,000 sq. ft on a quarter-acre plot, with swimming pool, could be £210,000.

While all the properties are white-walled, with dark green or brown-stained shntters, there is a great variety of styles and timber is used in ingenious ways on balconies, stairways, and in pergolas. There are steps everywhere – it is no place for the infirm. An amusing touch is the lamp standards that line the roads. They are "skeletons" of a type of oak tree, stripped of its bark and hung with lantern-shaped lights. At night, with the hillside properties and dozens of lanterns, it looks like the finale of *Peter Pan*.

Small islands can be breezy and Menorca is no exception. In winter the north wind, the *tramontana*, sweeps down from the Rhone valley, bending and damaging the island trees and bushes exposed to it. So in 1979, three years before building work began, the development company brought in a Barcelona landscape architect, Carlos Turell, to start a nursery for plants that would be naeded for "greening" tha estate and to oversee that side of the project. The nursery, well screened from wind and protected by guard dogs, now offers a range of plants including buge cacti, hibiscus and orchids.

The development has been built around irregular courtyards with ponds, streams and waterfalls and the plants seem to prosper. Turell says he has 300,000 in his care, and 15 gardeners to look after them.

Menorca has colonies of white developments at the seaward end of bumpy lanes whenever you turn off its excellent main roads. But the Fornells project staff feel they have nothing to fear from the others; to the extent that, when possible-bnyers come from abroad, they will lend the visitors a car for a day – and a map on whicb tha rival schemes are marked delliberately.

A car is a necessity on Menorca but the salt atmosphere doesn't improve those left around in the open for long periods. So flat-owners can have their vehicles stored under cover by a garage in the capital, Mahon, for £300 a year. The garage will take it to the airport whenever they return.

Urbanizacion Playas de Fornells, Menorca, Spain, or its UK office at Shepperton Marina, Felix Lane, Shepperton, Middlesex TW17 8NJ (tel. 0932-243-104) will provide information about the properties.

Menorca is, of course, used to having the British around. They occupied it at times during the 18th century and the Georgian features they introduced remain in some of its older houses. But today it is British *families*, content to drive round looking at the miles of dry stone walls, the areas of red earth reminiscent of Devon, and the harbour where Nelson anchored his fleet, who invade the island.

If they consider buying a property, they may prefer something old or rural. Another agent offering Menorcan property in the UK is Mahon-basad Fincas la Isla, which has an associate office in Higham, Bury St Edmunds, Snffolk IP28 6PA (tal. 0248-810-153).

Cbartered surveyor Paul Raymond, a one-time resident of Menorca and now the agency's UK consultant, finds the island's farmhouses popular witb British huyers. But these are not cheap any more. While he has one at £70,000, tbey are more likely to ba £100,000-plus. A partly-furnisbed period farmhouse with five bedrooms, in half an acre, is £220,000.

His firm represents 10 developments in Menorca but much of its work involves re-sale apartments or plots of land. Even so, its present list contains a waterside villa due for completion this year at San Antonio in Mahon harbour for £264,000 – with mooring. Or there is a re-sale three-bedroom, partly-furnished house with swimming pool at £125,000 on the Son Parc development – itself something of a rarity in Menorca since it has a (nine-hole) golf course.

■ ■ ■

INTENDING investors in Spain might like to know of the newly-formed Anglo-Spanish Consultants. This London group – whicb includes a tax adviser, architect, chartered surveyor, chartered accountant and lawyer – aims to help and advise on the increasingly relevant subject of investment in property in Spain.

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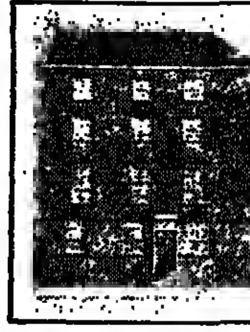

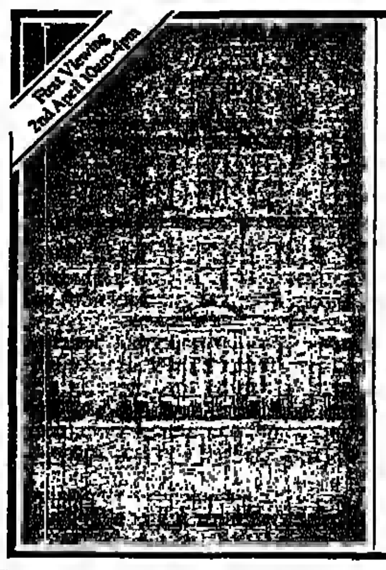

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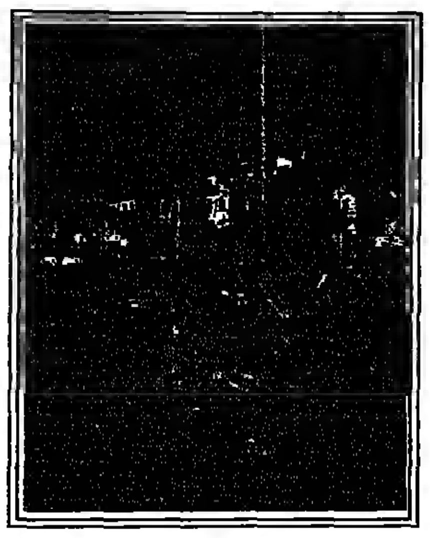

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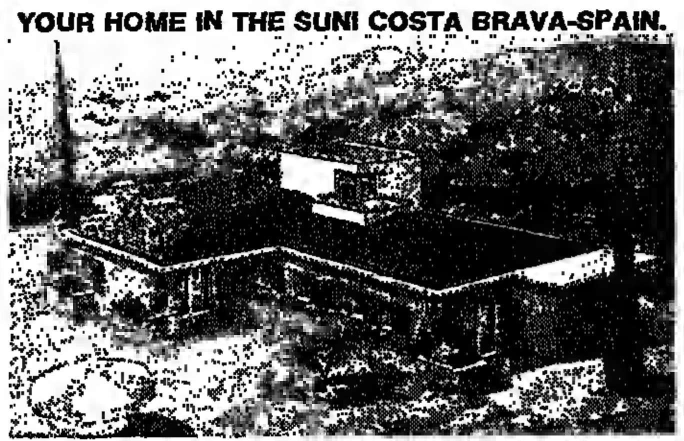

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GARDENING

Weeds, seeds and good reads

Robin Lane Fox looks back on 20 years of change on all fronts

TWENTY YEARS ago, the FT became the only national newspaper to enter the growing season with two weekly gardening columnists. Perhaps we have both lasted longer than prudent investors would have expected. But so has the subject on which we write.

Since 1970, typical weekend gardeners will have turned out more than 2,000 wheelbarrow-loads of weeds each. They will have mown the lawn more than 600 times and will probably have ended up with more moss than when they began.

Together, we have survived three very dry summers and four cold winters, two of which have been lethal. Crown Imperials still flower erratically and a cure for greenfly is as remote as ever. The weed-heaving and slug-killing have remained constant, but beneath them there have been changes on all fronts.

For a start, we ought all to have sacked our stockbrokers in 1970 and bought gardening futures, linked to the cost of cultivating a walled garden. The price of such a garden has gone up more than 20 times, but the business of maintaining it has made nonsense of any index.

In 1970, a good herbaceous plant cost 12p (nowadays, £1.65 plus VAT); seeds cost 3.5p a packet (now 60p or more); and casual gardening earned 40p an hour (now up to £7.50, in top weekending dormitories). After the April 1970 Budget, even the Lex column was daring to say that shares seemed undervalued. Twenty years later, the FT share index has just about quadrupled.

A much better tip for growth could be found in the garden columns, where both of us encouraged you during the year to grow Regale lilies from seed. Twenty years on, you would have hundreds, costing you nothing: they are selling at £1.95 for three bulbs in de Jager's colour catalogue this spring.

Garden-watchers have outpaced garden-diggers' prices. In 1970, there were 226,000 members of the National Trust and you could visit famous gardens without being caught in a traffic jam. By 1988, Trust membership had reached 7.66m and, of the 12 most-visited properties, seven were famous for their gardens including the top performer, Studley Royal in Yorkshire, which drew in 274,000 visitors – more than all the members of the Trust 20 years ago.

In 1970, Sissinghurst attracted fewer than 10,000 paying guests. In 1988, it pulled in 141,000 despite two bad winters, the 1987 gales, and persistent attempts to control the flow.

Hoards of wishful gardeners now circulate round the British Isles when the sap is rising. In 1970, about 500 gardens were opened under the National Garden Scheme on Gardeners' Sundays. Now, Sundays extend to weekdays and the number is up to 2,500 which draw more than 1m visitors, not all of whom can be looking for tea on the cheap.

Rising crowds and rising prices have gone with a new type of trade. In 1970, we were just beginning to buy container-grown shrubs and a few border plants in special gardening centres, but the books still argued about the best planting season: was it November or early March?

Now, you can plant from containers whenever the weather lets you, except in a frost or drought. Plants in polythene wraps will grow-on while waiting for customers, and move quite easily when they have found them. Little strips of black polythene transformed gardening, just as the narrow strip of the drop-nose-band has transformed riding for people whose horses were prone to bolting.

The new garden centres vary from the admirable to the awful, in inverse proportion to their volume of peat, cat food and liverwort round the alpines. Quality is marked fairly clearly, and my own top 10 would coincide with those picked out in the latest issue of *Gardening Which?*, one of the decade's best new publications.

This new trade bred impatience and a style which treats gardening like decorating. It is amazing to read in other newspapers' gardening columns that £20,000 is the sort of price which can be expected for the design of a typically long and thin town garden. People will throw away money for the illusion of speed and some over-prominent features. Plants which sell are those which look good in the centres: green and glossy for the person who wants a few shrubs. The new trade favours the presentable, which is not necessarily the best. It is in this gap, nowadays, that gardening columns have a use.

They also attract more attention because gardening has gained a more highbrow respectability. In 1970, I thought (in my other capacity) that garden history was a hobby, not a serious study. It was great fun to read accounts of famous gardens weekly in *Country Life*, where the owners helped writers to discuss their history piecemeal. General books were left to whimsical herbalists or bearded enthusiasts who had views on the vineyards of Roman Britain. It would have been decidedly unscholarly to research into pleasure, let alone the "purist of human pleasures."

Since 1970, garden history has come of age. The new Garden History Society has blossomed and even the early nurserymen have been the subject of good history books; one of the top historians of England, Keith Thomas, devoted a major work to Man and the Natural World.

The rise of flower gardening in 17th century England turned out to be important for the character of the early modern period. Ten years before, the only diggers and levellers in history books of the 17th century were radical opponents of the social hierarchy and everything an FT reader holds dear. Since 1970, "cultural history" has grown to include horticultural history. There are broader ideas of what is socially significant or the sign of a wider mental outlook, and gardening has sprung into prominence.

The dialogue with history has influenced gardening itself. Historic gardens are now restored, not demolished, in the pre-1950s' manner. By the early 1970s, the National Trust had revived the Dutch garden at Westbury-on-Severn and the example has been followed widely, down to a rococo garden at Painswick in Gloucestershire which nobody would have known to restore without the new scholarship. It was depicted in 1748 by the garden artist, Thomas Robins, who was not known to have had any importance in the history of gardening until 1974.

Love of the past has also affected our choice of plants. Nowadays, there are dahlia banks and dianthus deposits run by their own national council, the NCCPG, which will be celebrating Garden Heritage Week on April 27. Old varieties no longer die: they provide cuttings for the conservationists' crusade.

Crusaders are willing to believe there is a past, about to be lost, which was often better than the present: they work with a mass of information, needing to be classified and arranged in systems. To my eye, they have much in common with many other areas of contemporary culture. This attitude to the past and classification reminds me of many learned people in the Middle Ages; yet, nowadays, the word "medieval" is often used as an insult.

The new crusading is making its mark on smaller plant nurseries and their catalogues. Garden centres have not killed them: standardisation has given the smaller grower a new freedom. Personally, I think we will end the 1990s by being selective in a new way, not quite as the mainstream trade expects.

Out of the new national collections, we will pick out neglected, but proven, varieties. Garden centres will be tied by their wholesalers to predictable lines of stock, even if all their Leylandii cypress has finally been killed by the promising new conifer-eating insect. Keen gardeners, meanwhile, will look to the small nurseries who will remember, I hope, that new collections from nature are just as important as conservation from the past.

It promises to be an intriguing postscript to the 20th century and, of course, you need columnists to take you through it. If they let you down, remember that newspaper still has a special garden value as a wrapping for bedding plants on the move, or as a lining for old seed boxes. Black polythene has not made it redundant – although, naturally, the paper is effective only if it is pink.

A difficult plant to please

IN HER introduction to *Lilies* (Collingridge, £8.95), Victoria Matthews advises beginners to start with easy kinds such as martagon, regale, Enchantment and the mid-century hybrids.

Michael Jefferson-Brown, in *A Plantsman's Guide to Lilies* (Ward Lock, £8.95), notes that some have been grown in Britain for centuries, that martagon is one of those that has occasionally jumped over the garden wall and gone native and that, as early as 1629, Lilium canadense crossed the Atlantic to tease gardeners with its beauty and difficulty.

Lilies continue to puzzle and please gardeners and there have not been many really helpful books to guide one along the right road. So I greatly welcome these two, both by specialists based in England and both full of excellent advice.

Victoria Matthews is a botanist working in the Royal Botanic Gardens, Kew, who has travelled widely in search of plants and grows many in her own garden. Michael Jefferson-Brown is a nurseryman best known for his superb collection of daffodils, but also involved deeply in cultivating lilies.

I have a slight preference for the Matthews' manuscript. It is one of the titles in the excellent new series of Kew Gardening Guides under the editorship of John Simmons, curator of the Royal Botanic Gardens.

The big commercial producers of lily bulbs have not made it any easier for gardeners. It suits them to mulch the bulbs dry in spring after many months out of the soil. Although many lily bulbs look well able to stand such treatment, they all dislike it.

The best way to deal with bulbs mishandled like that is to start them in pots in any good peat potting compost, or a mixture of equal parts peat and garden soil. A few weeks in a greenhouse or frame is ideal, but no extra heat is required and the containers can be stood outdoors in a sheltered, fairly shady place.

The essential thing is to make the compost nicely moist at the outset and to keep it that way. The bulbs must neither be drowned nor dried, just given every encouragement to start making new roots followed by new stems and leaves. Then, they can be planted outside where they are to grow.

Most lilies like about four inches of soil above them. However, there are two important exceptions to this rule. Both the Madonna lily (candidum) and its hybrid, the Nankeen (testaceum) like to grow virtually on the surface. Just a scattering of soil over the bulbs at the outset is sufficient and when, a little later, they start to push themselves out on top, there is no need to do anything about it.

It is very seldom necessary to move lilies once they are established in the garden, since they will go on expanding their clusters of bulbs for years without suffering. They may also spread by self-sown seedlings. These will sometimes come up in scores for some distance around the parent plant.

Victoria Matthews makes the rather sweeping statement that seed of a clone – a garden selection that has been propagated vegetatively – should not be used. That is correct if the seedlings are expected to reproduce that clone precisely. But if you do not mind variation, seed from clones can be just as useful as any other. For me, it is the variations, from clones, species or just plain garden mongrels that provide much of the fun.

Arthur Hellyer

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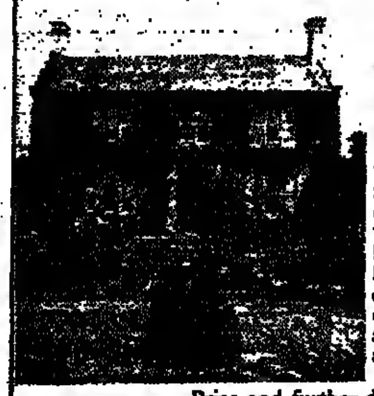

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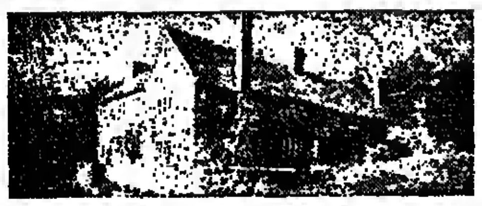

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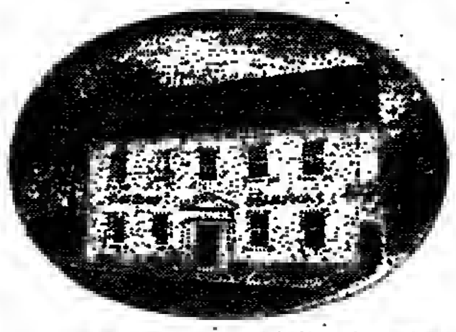

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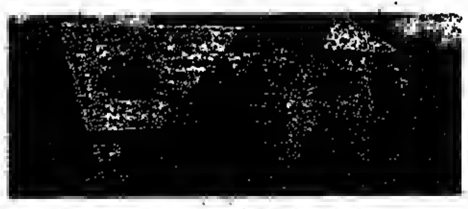

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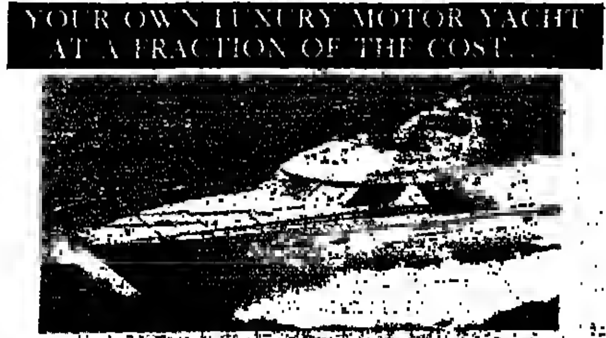

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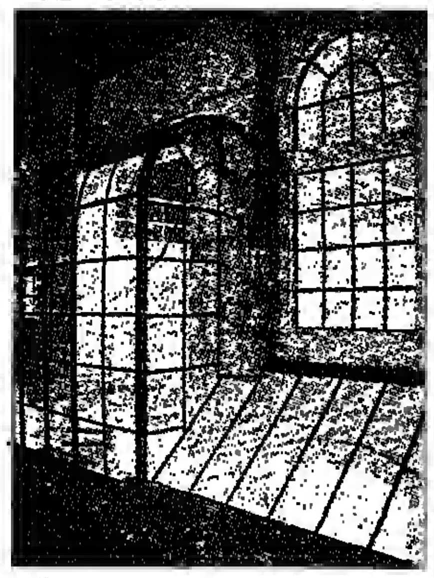

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Did the Mycenaeans really invent cricket?

Gerald Cadogan reports that archaeologists have made an astonishing discovery that could re-write the history books

THE FIND what all British archaeologists long for in their dreams, but never really expect, has turned up this week in a barrow in Wiltshire. It is a Mycenaean vase, broken but clearly dateable to the 14th century BC. This discovery revives at once an old debate about the links of Greece and Wessex in the Bronze Age: did they exist? And did the builders of Stonehenge know of Mycenaean building methods? The vase is highly important also for Mycenaean life, as it seems to show – for the first time in the Bronze Age – a game with bat and ball.

In 1952, there was great excitement when a carved dagger was spotted on one of the great sarsen stones of Stonehenge. It looked exactly like a dagger on a gravestone from the royal Shaft Graves that Heinrich Schliemann dug at Mycenae, to be dated around 1500 BC. That seemed a clue to the date of the main circle at Stonehenge, where the trilithons are so similar to the gates in the Cyclopean walls of Mycenae.

Today, experts are sceptical. The carving is more likely a local dagger, and the sarsen circle of Stonehenge may be one or two centuries older than the gravestone at Mycenae, and three or four ahead of the Lion Gate there. But the new sherds are evidence that cannot be dismissed lightly.

The dig is still going on. I cannot disclose where, but it is a bell-shaped round barrow, which is a usual type for male burials to judge from such finds as daggers and axe-hammers. It has a central burial with a bronze dagger and, laid over the crouched male body, the Mycenaean sherds.

They are not the first Mycenaean find in Britain, but they are the first to be dug and drawn scientifically. That means they can date this burial in Wessex, making it later than British archaeologists would have expected, relying on carbon-14. The sherds show also that there was more ancient trade and exchange between southern Britain and the Aegean than we could ever have imagined.

Beads of amber worked in Wessex have been found in the Peloponnese in tombs of 1600-1450 BC. They are plaques pierced in a complicated way with V-shaped holes, known in the whole north European Bronze Age only from Wessex. These plaques separated out strings of beads, and would have been worn on the chest or at the nape of the neck.

Although it was Baltic amber, the plaques have to be imports from nowhere but Wessex. The new sherds, of course, have to come from the Argolid – the one traded for the other?

There are two more scraps of evidence in the Aegean. The Tomb of the Double Axes at Knossos produced an amber bead mounted in a gold disc that is unique in the Aegean but has close parallels again in Wessex. And at Mycenae, bone mounts for a sceptre (the wood has perished) are so like those from the Bush Barrow near Stonehenge that the original sceptre decorated with the mounts probably reached Greece from Britain.

With this background, the new sherds are an exciting find. They are from the shoulder part of a krater (mixing bowl for wine and water) that would have stood some 50 cm high. It is in the "pictorial style" used for important pieces in the Mycenaean repertoire. It was made in the Argolid, very likely at Berbati near Mycenae where the Swedes have dug a Pictorial Style pottery factory.

The chief find place for Pictorial Style kraters, usually with scenes of people driving a chariot, is Cyprus, where 14th and 13th century BC Cypriots liked to be buried with them. This is a clear mark of how much they were valued. We now see that a Wessex chief had the same view.

Britain and the Peloponnese being at either end of Europe, how did goods get from one to the other? Until there are many more finds like the new one, it is unlikely that there was direct trading. But the Mycenaeans who wore the amber and the Wessex chief with the krater may well have heard of the distant lands producing these exotic goods.

There are two main choices of route for the exchanges. Either it was up the Adriatic, over the Brenner Pass and through France or down the Rhine; or it was via the west Mediterranean, and up the Rhone or the Gironde-Brittany route. Archaeology supports either way. On the Adriatic side, there have been a few Mycenaean finds in Albania. There have also been many in Sicily and the Lipari islands, and in Malta and Sardinia, and a sword-hilt has been found at Lyons. Are these the debris of a long-distance exchange network leading to England, which sent back amber and perhaps also tin, the staple for any Bronze Age? Greece has no tin. Cornwall has plenty.

The krater is equally important, viewed solely in its Mycenaean background. Although there is an Egyptian Middle Kingdom (early 2nd millennium BC) picture of people throwing balls, and the *Odyssey* has Nausicaa and her attendants playing ball after a picnic – and the Maya played ball in "ball courts" – this is the first Aegean Bronze Age picture of a game with bat and ball.

Detail from the Mycenaean vase discovered in Wiltshire which seems to show a game like cricket being played with bat and ball

How are we to interpret it? The scene has two stylised palm trees; some filling ornaments (flowers, and S-curls that may suggest motion); and three figures. Is the one on the left stretching out his right arm in supplication? Or has he just released the spiral object that spins towards the figure on the right? And is that man practising paddling, or is he – as is much more likely – about to hit a ball with a wooden bat?

Who, then, is the spectator in the background, who wears a toque of Queen Mary's style? Does he stand behind the palm tree to secure the ball if it goes past? Or is he judging the players?

As in all scholarship, there can be no certainty. The game looks surprisingly like cricket. But if the spectator is an umpire, he is standing where the home plate umpire does in baseball unless he is meant to be out in the field – dare we say, at square leg?

Is this cricket, or a cricket-like game? Who knows? It will be years before another find like this turns up. In the meantime, we must admire the dexterity of the unknown Mycenaean draughtsman. And we shall muse on the intriguing possibility that it was not that the English brought cricket to Corfu, but that it came there from the Argolid on the route up the Adriatic that brought this vase to Wiltshire – and with it, perhaps, our national summer ball game.

Country Notes

Strictly for the birds

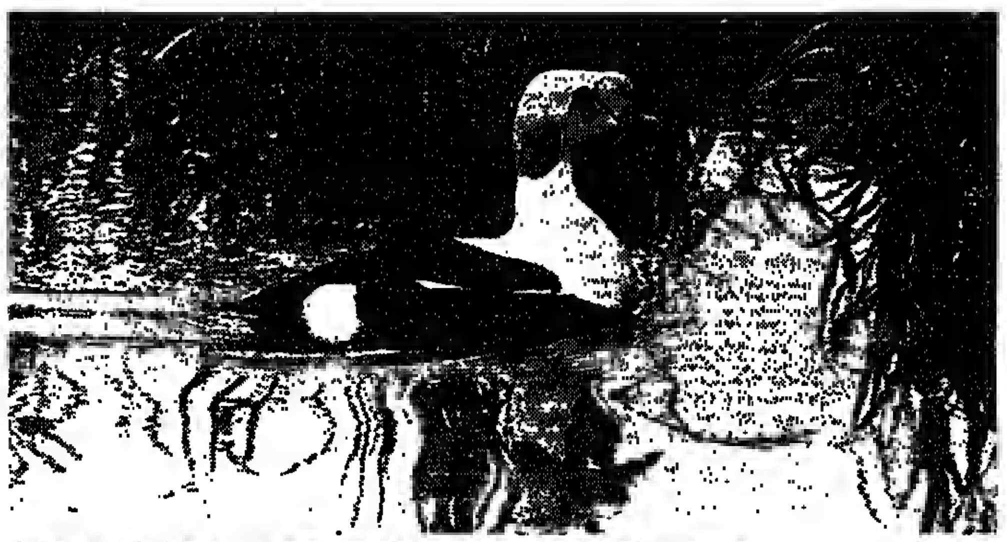
A wildfowl sanctuary that changes with the seasons

WHEN SIR Peter Scott built an observatory beside his house at Slimbridge, Gloucestershire, he probably did not intend that he should be observed himself. Yet all binoculars in the Peng Observatory, on my visit, were trained on Sir Peter's kitchen window.

The focus of attention, though, was not Lady Scott doing the washing up, nor Sir Peter at work in the background. A sparrowhawk had stationed itself behind some foliage immediately beneath the window with the all too obvious intention of ambushing any small bird rash enough to look for food at the Scotts' bird table.

The predator's first lunge was aimed at a wagtail which flew on to the kitchen windowsill. The startled little bird shot away to the rooftop with a burst of acceleration that could have been fuelled only by terror. The hawk hid again and minutes later was in the air once more, stretching its talons after a fleeing blue tit, which reached the cover of a hawthorn bush with fractions of an inch to spare.

I did not stay to watch any more, but not all Slimbridge's bird-watching visitors are so squeamish about seeing nature red in tooth and claw. Told that someone had just seen a peregrine falcon take its pick of the thousands of duck in the vicinity (it chose a dispensible mallard) my neighbour said: "I wish I had seen that. That would have been worth the £3 admission charge by itself."



A spectacled elder duck glides elegantly across the water at Slimbridge

You get a lot for £3 at Slimbridge. At the glass doors which lead from the information desk into the 1,000-acre bird reserve, one of the rarest birds in the world will be waiting to greet you. This is the Hawaiian ne-ne, a friendly small brown goose. Its Polynesian name means "let's sit and chat." At Slimbridge, its mateyness is a bonus as it quicksteps beside you to see if you had the decency to buy a packet of food on the way in. But, in Hawaii, its sweet nature has almost brought its extinction. There are now more ne-nes at Slimbridge than in the wild on Hawaii.

There are 2,500 tame ducks and geese from all over the world for which the Slimbridge Wildfowl Trust, which Sir Peter created 43 years ago, has become a permanent home. Flocks of wild geese, bred by tame parents, roam free, never venturing far. Other wild birds flock here in their thousands.

The spectacle at Slimbridge changes with the seasons. In winter, the skies are alive with a whirling aerial ballet of wild geese, swans and ducks in flight. Summer is the time when cygnets, goslings and ducklings scramble over the grounds. Spring and autumn bring mass migrations of waders and water birds.

Two hundred species can be seen in the lakes and pools of the reserve pens, where the pinioned birds are joined by thousands of wild birds which fly in from the Arctic, Africa and Asia. Exotic species with outlandish pink beaks up-end alongside native mallard and black-bottomed gadwall. Red-breasted geese, diminutive and endangered in the wild, parade here like Butlin redcoats.

The noises are extraordinary. Trumpeter swans trumpet and whoopers whoop, but Cape Shelduck bray. Male Maccoas belch. Wigeons whistle but Mandarin drakes, turned out like characters from Peking opera, grunt. Most disturbing of all is a pool full of lesser flamingos, which sound as if they are breaking wind solemnly in unison.

At the end of the large pens are paths leading to the Acrow Tower, the South Finger hide, and a two-storey wild goose hide which seats 60. The hides look out over fields grazed by thousands of Britain's largest flock of European white-fronted geese.

The South Finger hides are open only in winter but, in January, I discovered that a willow in front of the Van de Bovenkamp hide housed a pair of insomniac owls. The nuts and apples outside the Jack Death hide had attracted not only tits and finches but also a greater spotted woodpecker. On a dead tree, by a concrete bunker on the sea wall, a peregrine perched.

After a chilly day in the hides, the warmth of the tropical house was heavenly. An ordinary wren, which managed to creep in somehow, enjoyed the humid warmth all winter, filling the mini-rain forest with her song between raids on a tin of mealworms put out for a hummingbird which took short, dramatic excursions to chase away any golden-fronted fruit-sucker that dared come close. By a waterfall a delicate ringed teal threw back its head and squeaked like a whoopee cushion.

The full tour of the reserve is more than a mile, but the paths are so well maintained that pushing a wheelchair is made easy. Several of the hides are accessible to the disabled and, wherever you go, there are birds: even the restaurant overlooks a lake full of scarlet flamingos skimming the water with their inverted crab-claw beaks to siphon food through their nostrils.

More than 250,000 people visit Slimbridge each year, but even on a busy day it is usually possible to find a quiet hide and escape the crowds. For the most dramatic experiences, go when others are least likely to, on wild, wet and windy days – and stay late to see the wildfowl whiffling down the airways against a darkening sky to plane in on the already crowded waters that are Sir Peter Scott's Swan Lake.

■ **Slimbridge is 10 miles from exits 13 and 14 of the M5, and open every day except Dec. 24 and 25: 9.30-4 in winter, and until 5 pm in summer. Admission: £3, £1.40 (under-16s). Membership: £12, £4.50 (juniors). It is possible to adopt or sponsor individual geese, swans, ducks or flamingos. I paid £15 and, as a swan patron, received a hand-painted colour portrait of the individual beak pattern of my Bewick's swan, Yarn. Yarn has a tale to spin, having already mated with Tall Tale, then Ripping and now Weaver. I will be kept advised of further developments.**

Lailan Young

Chess

PLAYERS WHO consistently exchange pieces in general, and queens in particular, at the earliest possible stage are often unpopular characters in club and league play. The swapper is suspected of lacking imaginative spark in the cut and thrust of middle game attack and defence.

In grandmaster chess, the early exchanger generally favours the endgame; if an Andersson or a Smyslov has the queens off the board quickly, you have to expect a grim 50-move defensive battle while he probes and finesses. The league chess swapper is not necessarily strong in the ending; his eye is on the call for adjudication time at move 30 or 36, which he hopes to reach a pawn up with an uncluttered board.

British weekend tournament players have ample endgame experience, often in quickplay finishes at accelerated time rates. Their skills are likely to be superior to the average club player, but experience of simultaneous exhibitions here and in continental Europe does not suggest that the ending is really a general British weakness.

The true area where our club chess technique is deficient is, rather, that of defence. Perhaps it is something to do with the esteem accorded to backs-to-the-wall, Dunkirk-style attitudes to difficult situations, but it is certainly noticeable that the British club member under pressure often resorts to purely passive defence. Average players in the cafés of France and West Germany are more resourceful, ready to chance their arms in counter-attack.

The difference might not be in national temperament but in social ambience. The typical continental club match is likely to be staged where alcohol (or, at least, strong coffee) is available readily, while British clubs often are situated in community and church halls with minimal refreshments. When lunchtime chess was available during the 1940s and 1950s in the Gambit Chess Rooms at Budge Row in the City of London, the games were as dashing and imaginative as on the pavements of Paris or Amsterdam.

Thus, in particular conditions of inter-club matches the swapper deserves a better reputation. He is usually aware of a basic requirement for successful exchanging strategy; namely, possession of the initiative. There is a distinction between exchanging for its own sake, which allows the opponent to recapture by bringing a fresh unit into action, and exchanges which solidify a lead in development.

Two situations which favour the early queen swapper particularly are when rooks can be brought to the central files with the opposing king still uncastled, and when knights can threaten rook forks at QB7 or KB7.

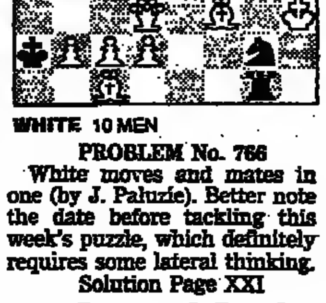
This week's game, won by a former world champion, shows the art of swap play at grandmaster level. Early exchanges at move seven open up a central file; while at moves 15-17 the removal of the queens, followed by a knight incursion, enables the white rooks to invade the black position.

White: V. Smyslov.
Black: A. Adorjan.
Reti Opening (Amsterdam 1971).

1 N-KB3, P-QB4; 2 P-QN3, N-KB3; 3 B-N2, P-KN3; 4 P-K4, B-N2; 5 P-K5, N-Q4; 6 N-B3, N-B5; 7 P-Q4, N-B3; 8 P-KN3, PxP; 9 NxP, NxN; 10 QxN, N-K3; 11 Q-K3, P-Q3; 12 P-B4, PxP; 13 B-N5 ch, K-B1; 14 PxP, Q-Q5; 15 QxQ, NxQ; 16 O-O-O, BxP; 17 N-Q5, NxB; 18 BxB, P-B3; 19 NxBP, PxN; 20 R-Q8 ch, K-N2; 21 BxP ch, KxB; 22 RxR, N-B2; 23 R-K1, Resigns.

At the end, Black's pieces are movebound after 23 ... K-B2; 24 R-B1 ch, K-K2; 25 R(1)-B8.

BLACK 10 MEN



WHITE 10 MEN

PROBLEM No. 766

White moves and mates in one (by J. Paluzie). Better note the date before tackling this week's puzzle, which definitely requires some lateral thinking.

Solution Page XXI

Leonard Barden

A shop window for an economic miracle

DESPATCHES
• Madrid •

THE ROADS are clogged with cars and the pavements are choked with mink. It is nearly five o'clock in the afternoon, the lunch tables are being cleared and Madrid is stretching itself awake. Four minks, deep in conversation, stroll abreast along the facade of the Prado museum in the sunshine. Fur brushes against fur inside the Reina Sofia art gallery; between tossing heads and gesticulating arms, the occasional French Impressionist can be glimpsed.

In the lobby of the Palace Hotel, the minks are massing for cocktails. When the fur slides off, it reveals enormous padded shoulders tapering down to bony knees and sharp little ankles. Middle-aged escorts, wearing their overcoats like grandees' cloaks, bow and pay compliments; young men in fashionably baggy suits glance at themselves in the mirror.

Madrid is the shop window of Spain's economic miracle, a city still revelling in its release from Francoist xenophobia and philistinism. The country's accession to the European Community has resulted in a love affair with Europe which prefers not to contemplate the – probably painful – industrial consequences of membership. The sharpest insult you can deliver these days is to accuse someone of being "un-European."

Money has been pouring into the city as foreign firms outbid each other for stakes in the virgin territory, and property prices are racing up. Ministers in the Socialist Government – young, middle-class and intellectual – are among the leading trend-setters. "They have thrown away their corduroys and put on flannel suits," said Jose Pedro Perez-Llorca, a Centrist former foreign minister. Family ties, the Catholic faith, even the cult of *machismo*, are all being weakened by the fever of modernisation.

At about the hour the smart set in Madrid is driving out to dinner, the burghers of Barcelona are getting ready for bed. Long before midnight, they have abandoned the tree-lined Rambla, which bisects the city's medieval quarter, to the peep-show hustlers and drug pushers, to prostitutes of every hue and gender, roving bands of sailors and the police.

With a long history of Mediterranean commerce behind it and a port which is still one of the biggest in Europe, Barcelona has always regarded itself as the real capital of Spain. They think of Madrid as a backward city, with an inhospitable climate somewhere in the interior, which just happened to house the Castilian court. Barcelona looks down on the capital, rather as Milan looks down on Rome, as the place where hard-earned industrial wealth is dissipated idly in financial intrigue, fancy clothes and late-night parties.

Rivalry between the cities thrives on differences of history, culture and language. "Bienvenido" says the sign at Madrid's airport terminal. "Benvinguts" say the banners at Barcelona's. Catalan pride has been swelled further by Barcelona's successful bid to host the 1992 Olympic Games. The animosity finds its fiercest popular outlet in football which, cynics say, has replaced divine salvation as the goal of a Spaniard's earthly sojourn.

Real Madrid is a rich club, patronised by businessmen and ministers. Barcelona's club is richer still and its stadium is a shrine to Catalan nationalism. The quickest way of committing political suicide is to criticise the home team or the behaviour of the fans.

It is not only on the football field that the cities compete. Here, the advantage is definitely shifting for the rich, conservative Catalonian port to the arriviste capital in the highlands.

Barcelona's opera house, the Gran Teatro del Liceo, is (even before the football stadium) the proudest monument to the city's wealth and culture. It was built by businessmen in 1847 and again, on an even grander scale, after a disastrous fire in 1861. With five tiers of balconies and 2,700 seats, it is the largest opera auditorium in Europe. Its greatest boast, however, is that it has played uninterruptedly throughout nearly 150 turbulent years and remained in private hands until 1980.

The Liceo was so magnificent that even the locals complained at the time. Each subscriber had his own box and individually decorated anteroom to which he could repair during the interval. Ornate club rooms – still in use today by the gentlemen members of the Circulo del Liceo – were built off the foyers. The club's reading room, from the window of which the Rambla appears like a Pisarro painting, is adorned with a mural in which each entrepreneur's factory and smoking chimney has been portrayed carefully.

But the fare served up on stage has hardly changed over the years. Grand opera of the 19th century, with a preference for Wagner, is what the Barcelona public wants; and grand opera is what it gets. Productions come mainly from outside and the staging is indifferent. It is the big-name singers people go to hear.

The Liceo's musical tradition is supported by an extraordinary crop of Spanish opera singers, of whom Barcelona has produced an unequal share: Victoria de los Angeles (daughter of a hall porter at the Central University), Montserrat Caballe, Jose Carreras and Giacomo Aragall. Madrid can lay claim to Teresa Berganza and Placido Domingo, although the latter did most of his training in Mexico.

Madrid's opera house, the Teatro Real, opened only three years after the Liceo but has not staged an opera for the past 64 years. It was closed for structural repairs in 1925 and left to languish during the Franco years. To hear opera in Madrid, you must turn down a side street to a 1,200-seat auditorium where opera, ballet and *zarzuela* have to be squeezed into a short season.

But the builders are in at the Teatro Real and in three years' time, when Barcelona is basking in its Olympic sunshine, the opera house should be finished; then, Madrid will be contending for the title of undisputed champion of contemporary Spanish culture.

Under its progressive director, Jose Antonio Campos, the state company has not only revived opera in the capital, but has discovered a new and younger audience for modern works. Campos is commissioning a new opera each year from Spanish composers. Next year, for example, the Zarzuela theatre will stage the premiere of *El Viajero Indiscreto* by a leading indigenous composer, Luis de Pablo.

"Barcelona has tradition and a very faithful and knowledgeable public behind it," says Molina Foix. "Madrid lost its tradition and nothing much happened until the '70s. But now there is a new public: the young, the fashionable crowd, ministers – and, of course, Queen Sofia who is very keen and knowledgeable about music."

The Liceo has modernisation plans of its own, but they are still on the drawing board. As for programming, the governing committee, representing a consortium of city, regional and private interests, doubts if the public of Barcelona will be persuaded easily to bring its taste in music up to date.

Madrid looks set to become the capital of Spanish opera. It is one more step towards justifying its claim to be more than just the nominal capital of Spain.

Christian Tyler

Lucia van der Post urges us all to get wet, wet, wet as she enters the steamy world of baths, whirlpools, jacuzzis, showers and swimwear

Bath and the world bathes with you

SOME LIKE them hot, some like them cold, some like to linger, others like to dip in and out, but whichever way we like them, the bath is happily an established daily Western rite. Gone are the days when we might have said as Queen Victoria is reported to have done, "I take a bath once a month, whether I need it or not."

Builders, these days, report that after the kitchen, it is the bathrooms that can clinch a sale. An en-suite bathroom was once enough to get the punters swooning — these days two bathroom houses are two-a-penny and builders of luxury estates find that three and four bathroom houses are much in demand. But sheer number isn't all — bathrooms are becoming more and more a focus for people's private tastes. Some double as gyms, some are havens for hedonists, some are temples to hygiene, others are nostalgic evocations of times gone by, yet others transport their users to the exotic bathing habits of far-flung cultures. In other words, in the prosperous West, those who have ragged and stippled, carpeted and swagged all the other rooms in the house are now turning their attentions to the bathroom.

The secret of the successful bathroom is to marry old-fashioned fantasy and comfort with new-fangled efficiency and sophistication. These days simple washing is not what the truly international, sophisticated market is all about. Nearly all the upmarket purveyors of bathroom equipment these days offer whirlpools and jacuzzis with options for hydro-massage and water-jets as well.

The big new item, though, is the steam system for showers. The world seems be divided, on ablutionary matters, into those who bathe and those who shower. For those who shower the first essential is to find a shower that really works — by no means as common as it ought to be. The chief problem is our water pressure and you need a proper pump to make shower work. Over at Bonsack Baths at 14 Mount Street, London W1V 5RA or the Godfrey Bonsack Bath Shop within Harrods they specialise in making showers that really work. Power Showers they call them and the secret of their success is proper pumps. All this means it isn't cheap — a shower with the least powerful pump will cost you about £400 while if you add in extras like body-jets and massage overheads you can easily spend up to £1,000.

Bonsack has developed its own steam system for showers which offers the warmth, cleansing and relaxing qualities of the sauna but has several additional advantages — it is much easier to instal, it is part of the shower system so doesn't take up a whole room, it is much cheaper and, above all, offers damp, moist heat as opposed to the dry heat of the sauna. The system is based on a small generator which fills the shower cabinet with steam in about three minutes. It comes with a small hopper into which aromatic oils (after-shave for HIM, something more feminine for HER) or eucalyptus oil for those with colds or respiratory problems can be added.

When it comes to trends and fashions there are two main moods currently in vogue — spare, beautifully finished, fine detailing but no frills, no fuss, just clean exquisite lines, rather Japanese, based on wood and plain white fitments. In the opposite corner so to speak is the old-fashioned, nostalgic bathroom, based on free-standing, classically-shaped baths and a host of suitably classic accessories.

Those who want a purer version of the classic, traditional look should head for Czech & Speake, 39c Jermyn Street, London SW1. They seem to me to manage best to produce timeless designs that look at home almost anywhere. Their new taps, mixer fittings, soap dishes, toothmugs and mirrors, are all classically simple. Anybody who has in mind a gentle, unaggressive traditional look but wants it combined with new-fangled technical proficiency need look no further than their range of plain, white, vitreous china equipment.

Those who long for an authentically "period" bathroom should still be able to find plenty of genuine period baths, basins and taps in the antique shops. It is also worth looking at architectural salvage companies. The London Architectural Salvage Company, Mark Street, London EC2, and Walcot Reclamation, 108 Walcot Street, Bath are two good sources.

If you haven't the time or energy to track down the old plenty of companies these days do copies — C.P.Hart has its famous roll top bath, Czech & Speake has its free-standing bath with brass ball and claw feet, while B.C. Sanitan, 33 Parkway, London NW1, sells all manner of reproduction bathrooms — choose from Victorian, Edwardian and the latest, its Astoria "Art Deco" range. While some of its pieces are very ornate, including basins and lavatories decorated in true high-Victorian style, there are many restrained, traditional designs. B.C. Sanitan is also a good source of traditional accessories such as etched glass shower screens and classic mirrors.

For those though who want a bathroom that makes no aggressive stylistic statements but is simply functional and pretty I would start by going to look at the John Lewis of Hungerford bathroom department, in Liberty, Regent Street. Just as I am a great believer in the unfitted kitchen, the kitchen that looks and feels like an attractive room rather than a gleaming tribute to the manufacturers ability to churn out identical modules, so I see no reason why bathrooms shouldn't go down the same route.

John Lewis of Hungerford does not provide the sanitaryware but offers all the additional pieces that make a bathroom look furnished, not with rows of gleaming cabinets and dinky alcoves, but with free standing pieces of great charm — there are rather old-fashioned looking *armoires*, linen cupboards, solid pine vanitory units, teak bathmats, as well as a huge range of all the attendant pretties — things like shower curtains and Kenzo bathrobes as well as *papier poudré* and fine towels.

A few years ago mahogany was what the smart bathroom was clad in creating an atmosphere rather like an Edwardian gentleman's dressing room. Nobody today, I hope, would opt for mahogany (mahogany is a slow-growing hard wood, taking some 300 years to grow and thus replace itself) — if you want a dark wood, go for a stained softwood like pine.

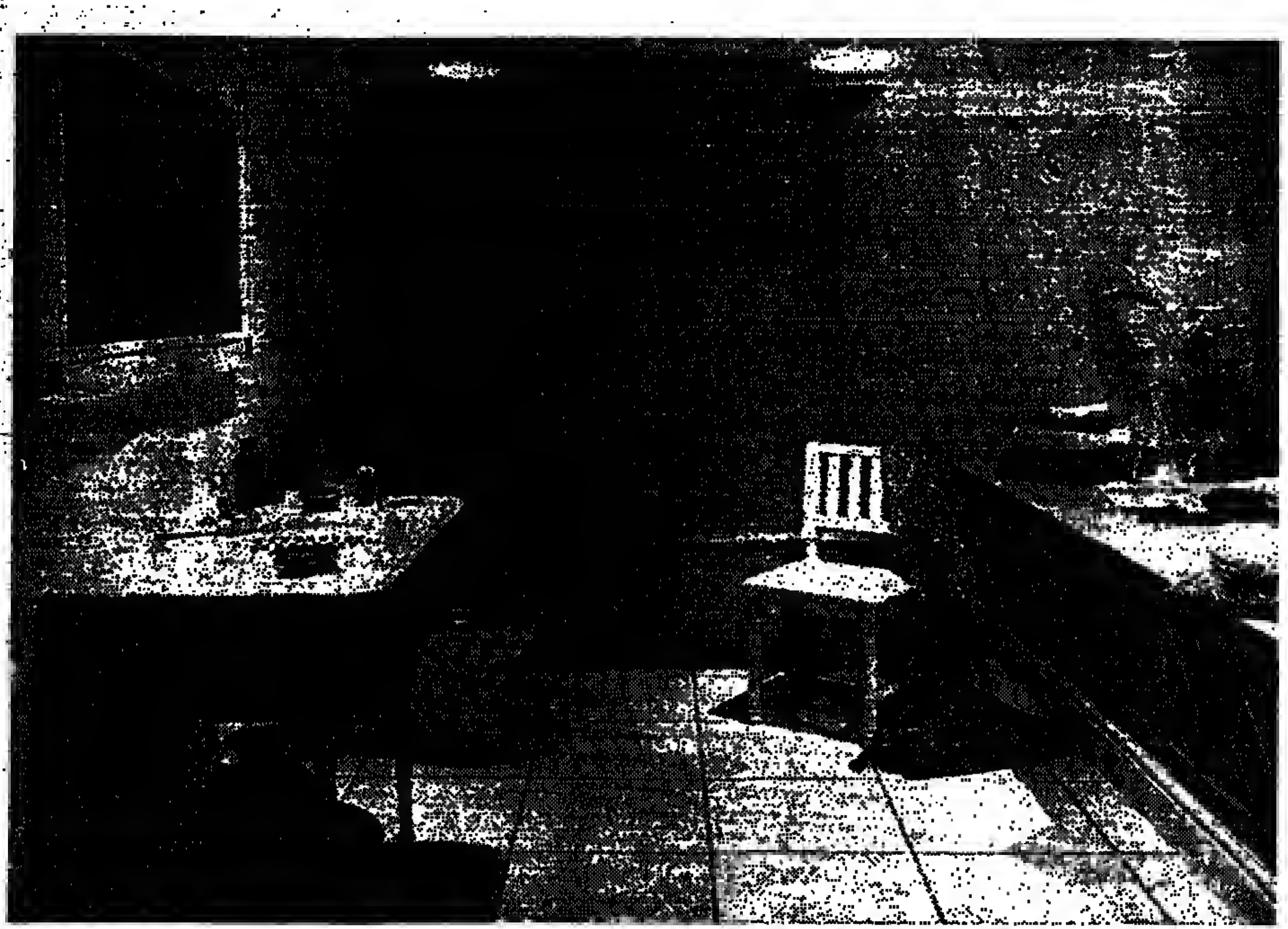
Those who are unashamed modernists might like to wait for the arrival of an exciting, advanced new design from Ideal-Standard — it's called Belvedere and was designed by Axel Enthoven of Belgium and will be on the market in May. If you thought that everything that could be done with taps had been done Belvedere will prove you wrong — it uses a flat-topped tap which provides a slim waterfall of water quite unlike anything else I have seen.

These days exciting bathroom shops are everywhere. Here are just a few addresses to start with:

Pipe Dreams, 103 Regents Park Road, London NW1 8UR and 2, Hind Street, London W1M 5RH and 11 Chequer Street, St Albans, Herts.

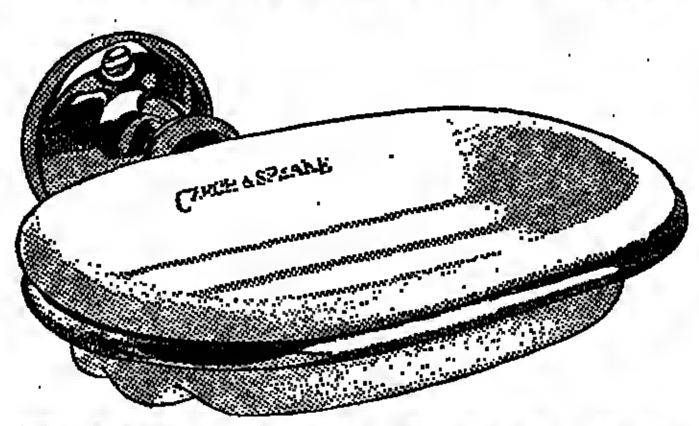
C.P.Hart, Newnham Terrace, Hercules Road, London SE1.

Max Pike's Bathroom shop, 4 Ecclestou Street, London SW1W 9LN. The place to visit if what you want is something sumptuous and lush and primarily modern — not the place for rampant nostalgia or the budget-minded.



After the unfitted kitchen — the unfitted bathroom. Bathrooms should no more look like spare, utilitarian capsules for keeping clean than a kitchen should look like a laboratory. John Lewis of Hungerford concentrates on providing bathrooms and bathroom furniture that look as warm and welcoming as the room above

For those whose tastes run to the ornate, Pipe Dreams of 103 Regents Park Road, London NW1 (and branches) not only has a selection of reproduction Victorian-style bathware but it also offers a specialist service so that rooms, baths and other equipment can all be stencilled to order. The basin pictured here, for instance, has been hand-painted to match a fabric by Givenchy. The basin, decorated, is £281.75, the taps and waste £141.28



Czech & Speake's porcelain soap dish and holder, £50-£59, depending on which material you choose for the holder

Old-fashioned bathrooms need old-fashioned pulls — Sitting Pretty of 131 Dawes Road, London SW6, has a whole host of traditional bathroom accessories. The pull comes in porcelain with a brass of chrome finish (£25) or with tarnish-resistant brass (Incalux) £40

Get in the swim at a chain store

BEACH HOLIDAYS are not, on the whole, my scene but even in the best-planned life there comes a time when one needs a new swimsuit. As one who normally thinks of buying one a week or two before setting off for the plage, I am in a position to tell you that that is precisely when all that is left in even the smartest of stores are the sort of things that dowagers wear in out-of-season resorts and on ocean-going liners.

Nowhere in August or September is there a swimsuit that is under £45 (swimsuit-seeking dowagers, it seems, are assumed to be rich) and even those are deeply uninspiring. So, in the interests of planning ahead this year I resolve to buy a swimsuit when the cream of the crop is around and THAT, believe it or not, is now (though, to be frank, it is already a weeny bit late — February is when the swimear crop is at its most fecund). So, no matter how hard it is to recall what it feels like to be really hot, try.

Do not allow yourself to hold back on the grounds that you are certain to lose half a stone by the summer. If you set out now you will be able to choose from the pick of the bunch and be deeply grateful come August. For those, like me, who don't believe in spending a king's ransom on two little wisps of fabric, the chain stores do an excellent job when it comes to swimwear.

The biggest disadvantage may be that others have seen what a bargain they are, too, and you may not be the only one on your corner of the costa clad in such a clever buy. As one who has sat through a very smart dinner where two very smart fashion editors came face to face wearing the very same top designer suit I think it's a risk worth taking — price, we learn, is no guarantee of exclusivity.

Chain-stores get better and better at simplifying their ranges and at giving us the plain chic colours most of us prefer. In most branches of BhS at the moment is a large selection of exceptionally well-priced swimwear that is fashionable, wearable and flattering as well.

There'e a ladylike navy and white striped cotton and lycra all-in-one with good boning and a flattering neckline for just £14.99. There's a navy and white floral bikinis for £13.99 and photographed, above, is a plain black or blue one-piece in nylon and Elastane with just a hint of retro about it, for £13.99.

Cookery

Banqueting — still a cook's graveyard

Peter Lewis bemoans turn-of-the-century methods and attitudes to mass eating

I HAVE BEEN reading the autobiography of Victor Ceserani, just published under the title *Catering for Life*. Not a title to set the world on fire, but an accurate summing-up of someone who has given his life to the catering business and done very well in it without ever making himself known to you and me.

Ceserani is a man who, having worked at the Ritz before the war and at Boodles immediately after it, taught people to cook professionally at London's Ealing College.

He is the sort of chap who is acknowledged as a mentor by all sorts of stars such as Michel Roux of the Waterside Inn at Bray and Richard Shepherd of Langan's. So what are we going to learn from his story?

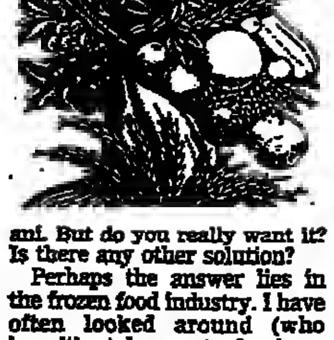
It is only his evident niceness as a man, unaffected, cheerful and practical, that prevents me from wanting to give him a hard time. He, and others like him, were brought up in an age of careless affluence at the pre-war Ritz where the double-cream, the best butter, the poached calves brains were always to hand and were cast carelessly before the unnoticing clientele.

They accepted, as we all had to, the years of post-war restriction, the dried egg and two ounces of meat per portion and they went on behaving as if Escoffier had not died, through a world of substitutes and making-do, of creamed potato piped round everything until suddenly when the shortages were over and everything became available again, they had nothing to offer but their faith in the system and the world quietly moved away.

Still they go on, teaching and judging cooking contests, but meaning remarkably little in the modern world. Here are students being taught to produce *Turban de filets de sole et saumon Villaret* for a "hard, demanding, taskmaster". When are they ever going to do it again, except at those awards dinners which are such a trial where suddenly 800 *turbans de filet*, etc, come clanking and clashing out of the kitchen, all identical and absolutely nobody notices what they're eating and nobody is putting his own money down or eating for pleasure.

Banqueting, it's called. You have to admire a man who can organise the serving of 800 *Turbans de filets de sole* at a go, all piping hot, all the same, to a huge roomful of men in hired dinner jackets and women in evening frocks and jewels.

Young men and women are being trained for this work, all the time, and standards of excellence are being set, by dedicated men such as Ceserani. But do you really want it? Is there any other solution?



Perhaps the answer lies in the frozen food industry. I have often looked around (who hasn't) at banquets for hundreds and wondered whether anybody really wants that kind of food. However glittering the event, however famous the speaker, I imagine that half the people would rather be at Harvey's or at Bibendum and half would rather, as far as the food goes, be at a Berni Inn.

And yet to the catering trade and to toilers such as Ceserani, the banquet with six courses served to a thousand covers in good time, nothing gone cold, nothing underdone, everything as it ought to be, is the supreme achievement of the chef's art.

Banqueting is a cook's graveyard although it may make his reputation. I suppose it has to go on. The menu from which the sole dish comes is an example Ceserani gives of the sort of practical test set to young trainee cooks at Ealing. The full menu is intriguing because it sounds just the kind of food which may at one time have found its way on to private tables, but now survives only on the banqueting circuit, which we can all recognise :

Creme Agnes Sorel
Turban de filets de sole et Saumon Villaret
Caneton braise aux navets
Subrics d'epinards, Pommes Anna
Souffle Rothschild

I think that while the souffle may be a crucial test of culinary skill it isn't really a bit of banqueting art. Those of you who watched Take Six Cooks on TV may remember the daring feat of Peter Kromberg, chef of the Souffle Restaurant at the London Intercontinental who set himself the daunting task of producing several hundred souffles for a banquet.

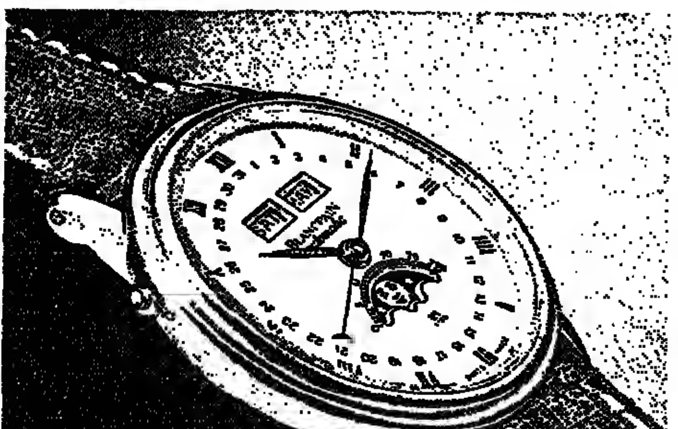
But *Creme Agnes Sorel* is a good old banqueter's item. It's a white chicken and mushroom cream soup which has a pretty remotre connection with Charles VII's mistress. Off the banqueting circuit it would be given a more modest and possibly more appetising description.

For many people a banquet is the only glimpse they'll ever get of haute cuisine and, understandably, it puts them off.

I suspect that people like Ceserani have thought hard and long about this problem; the answer seems to be a lemon. Hotels who cope with these events are proud and grateful to have a system which works and can deliver 800 identical dinners at a stroke without looking like school dinners or, worse, tasting like them.

The input of effort and training to produce these things is mind-boggling. It seems a pity that the only system that can produce them is fixed in the methods and attitudes of a turn-of-the-century grand hotel. It is I imagine the kind of food which the Queen is expected to subsist on year after year. I suppose her own years of rigorous training included instruction on how to manage on this kind of diet.

I am sure that if Ceserani has cooked for the Queen he has done so with care and thoroughness. But he doesn't say.



Peter Palumbo: a different kind of chairman

Maverick at the helm of the Establishment

Antony Thorncroft profiles Peter Palumbo, the new chairman of the Arts Council

THE STAFF *of the Arts* Council, not least its secretary general, Luke Rittner, awaits the arrival on Monday of their new boss, Peter Palumbo, with some trepidation.

His coming as chairman has been much heralded, not least in the £100,000 worth of improvements that he has lavished from his personal fortune on the entrance hall of 105, Piccadilly and the path to his first floor office. An Anthony Caro sculpture now graces the foyer and paintings by modern masters, from Picasso to Moore, will mingle with 14th century Italian primitives to give the Council an unprecedented artistic glow.

What makes the facelift even more remarkable is the fact that the Arts Council will be quitting its Piccadilly mansion within the year for more humble premises in Westminster: there are quite a few of its hard-pressed clients, notably the Royal Court Theatre, which has been forced to close its Theatre Upstairs, who can think of more worthy uses for anyone with the odd six-figure sum to spare.

But if Palumbo ie an unknown quantity, the Council will have plenty of opportunity to actually get to know its new supremo. His predecessor, Lord Rees-Mogg, would pop in from his Pall Mall antiquarian bookshop when the need arose, but Palumbo expects to put in an eight hour a day, five day a week stint in Piccadilly.

What will he do? This is what worries the staff. In the first few months he will be fully engaged touring the country meeting the Regional Arts Associations and the local theatres, orchestras, dance groups, etc. Already he has expressed awe at the flourishing artistic scene in the provinces. Learning the mysteries of a bureaucratic, committee-dominated institution at 105 Piccadilly may be a less joyous experience.

Palumbo comes from a very different working environment. He inherited a property empire from his father, which he runs with a small staff. Although often touted as a developer his ambitions to leave a lasting architectural mark on the City of London, first with a skyscraper by Mies van der Rohe, now with a design by James Stirling, have been constantly thwarted. He can afford to devote himself to the Council because basically he is a rent collector, with his Mansion House redevelopment still stalled in planning controversy.

How will a man used to getting his own way cope with the Arts Council's specialist panels in dance, drama and so on? Will his fresh ideas and simple visions clash with the complexities of acting as Godfather to thousands of the nation's arts organisations, ranging from the Royal Opera House Covent Garden to black dance troupes in Leeds?

Already he has shown a disarming but potentially disastrous tendency to talk from the hip. An aside that it would be a good idea to merge the four London orchestras might have touched a deeply-felt chord in Council policy makers, but it caused seizures among the London musical Establishment. He has said he wants to do something abont poorly funded literature; as an enthusiastic collector he has a known commitment to the visual arts, which have fared badly in cash terms in recent years; he believes to the role of the arts in regenerating the decrepit inner cities, and champions "Per cent for Art" in new developments.

In fact he has been saying all the right things, supporting the avant-garde and agreeing that if only 20 per cent of young, experimental, subsidised artists, from musicians to playwrights, make it to artistic genius then that is a good return on the Government's investment. In the past, speaking his mind has caused Palumbo problems: he had to relinquish his ambition to be chairman of the Trustees of the Tate when he described the policies of the director of the Tate as "dull, turgid and unimaginative." How will his maverick inspirations and off the cuff pronouncements gel with one of the most entrenched and experienced Quangos in the country?

In the end it will all come down to money. The Arts Council was delighted when it persuaded the Government to give it three year committed funding in 1987. It enabled it to plan its clients' aid that much better. But the money pledged by the Government has been made a nonsense of by the surge in inflation – 2 per cent annual increments now look very sickly. Unless Palumbo can squeeze more cash from the Government his cherished plans will come to naught.

There is a pious belief that he has the ear of Number 10. He is certainly "one of us," and although his commitment to state support for the arts may raise a few eyebrows in the driest of Government circles, it is possible that he will be listened to if he makes a convincing case for more subsidy.

Palumbo is a complicated man. A great enthusiast for modern architecture, yet a committed conservationist who devotes much time to restoring Painshill Park to Surrey to its 18th century glory; a property developer who is modest, diffident and shy; a committed conservative politically who believes in the arm's length principle and in funding left-wing theatre groups that hurl abuse at the Government.

The next few months will sort out these contradictions. Fortunately, apart from the cash shortage, there are no great crises facing the Council. The English National Opera is taking the offensive over its lack of subsidy, as is the Royal Court Theatre. Northern Dance seems likely to be saved from its threatened demise. Generally the arts have grown accustomed to Thatcherite principles.

Everything revolves around the relationship between Palumbo and Luke Rittner. Rittner now has six years experience at the Arts Council and unrivalled contacts and knowledge. He deferred to Lord Rees-Mogg but shared the reeponsibilities effectively. Basically Rittner got on with running the Council while Rees-Mogg handled the political and philosophical dimensions. If Palumbo can concentrate on getting more money for the arts, both from Government and from business (he is a great, over-optimistic, believer in tapping private and corporate patronage), and on contributing a fresh outsider's approach to a great national institution, he will be serving the arts – and the country – well.

More than its fair share of attractions

Antony Thorncroft admires Art London 89

ANYONE who pretends to an interest in contemporary art should take bis or her £4 down to Art London 89, the catchy tag line for the 4th International Contemporary Art Fair which concludes at Olympia tomorrow. It offers the widest spread of contemporary paintings, sculptures and multi media artifacts to be shown in the capital for years.

Viewing the 100-plus stands from the gallery is like confronting that many open paint boxes, the white walls dividing off a little group of abstract expressionists from some progressive figuratives, from photo montage, from erotic sculptures. Not much money has gone into decorative frills; this is a vast marketplace for art.

A quick inspection drives home the importance of the overseas dealers in broadening the British perspective. Although it is good to see the work from the regions offered by the Newcastle Group or the Scottish Gallery, the real track-stoppers are the stands showing unknown foreign artists. There is a very good representation from Spain, with an emphasis on sculpture, from chunky sensual talismans to full-sized dancers à la Degas; from Portugal, with some sparse abstracts suggesting a country on the edge of a *stormy ocean; from Hungary*, nostalgic looks back at a romantic past: from the Soviet Union, steeped in abstraction or Chagall-like images of the pre-War avante garde; from Israel, from Zimbabwe, from Bulgaria, and more.

These add the spice to the safe, solid, high quality – if slightly predictable – offerings from the big dealers who dominate the heart of the ground floor – Waddington showing off Barry Flanagan, Peter Blake, Howard Hodgkin, and some late contemporaries such as Henry Moore and Ben Nicholson; Marlborough with its Anerbachs and Kitajs, Regos and Pasmores; and Annely Juda, with the likes of Christo and Caro.

The purses will be spoilt for choice, but anyone flinching at the £850,000 for a Henry Moore bronze could find colourful 90 *franc prints among the French* exhibitors. And there is always scope for haggling. Some of the foreign art seems cheap compared to Cork Street prices but, although every dealer is hoping to sell out, Fairs are as much an opportunity to meet prospective new clients; to see what the competition is up to; to take the temperature of art on a global scale. Even so in the first few hours Austin Desmond had sold £60,000 worth of the likes of Terry Frost and Graham Dean, while Beaux Arts from Bath had notched up £50,000 of business.

The need to buy should not be the only reason to come to the Fair. It will nicely infuriate all those who think most contemporary art is meretricious and formulaic; it will stimulate those who feed off the new, however poorly painted and conceived; it will confirm the prejudices of those who think that today's art concentrates on the depraved and the pessimistic. The very profusion of images eventually dulls the senses but does not lead to tedium.

The organisers have done their best to broaden the appeal. There are childrens' trails; there was a Royal gala on Thursday where that former art gallery employee the Duchess of York showed her commitment by buying a sculpture; there are seminars daily, although a Sunday offering on New Soviet art (at 12.45) might not have quite the charm of Thursday's discussion organised by the excellent Modern Painter magazine on "Can a bad person make good art?". There is also a generous sponsor in British Airways, which has tovited its regular passengers to the Fair and exposed them to the outrage of the new as well as giving £10,000 in air tickets to a promising young artist, Peter McLaren, a 25-year-old Scot.

If Olympia seems just a bit too expensive and Establishment, a more homely celebration of contemporary art opens down the road in north Kensington on April 13. It is the Portobello Arts Festival, in which 13 of the galleries that have sprung up in recent years in this raffish part of London mount special exhibitions and organise "happenings." This is an alternative Fair of mainly young artists and dealers, but once again the Soviets will feature at Vanessa Devereux's gallery.

"Heads" by Dean Barrett, at the Fair's Nicholas Treadwell gallery

Picture: Alan Harper

A tepid repast

Martin Hoyle reviews 'Dinner'

Best-known as a cabaret performer and author of tartly-observant songs, Mark Bunyan won the South London Playwriting Festival competition with this elaborately interwoven octet for four couples. In fact four actors ring the changes to people the Croydon Warehouse stage with a cross-section of British (specifically London) society, from right-on Robert and Elizabeth to plutocrats Clifford and Arabella.

On the way they take in David, a sheepish ex-Socialist in the financial ascendant, and his wife Mary, even more indifferent to her working class roots; and breezy Guy, ex-public school yuppie, and his wife Phillida (sic), whose Sloane accent falters into incoherence when she trys to describe her social concerns and well-meaning environmental anxieties.

The encounters, abrasive, embarrassing or uncomprehending, between the eight characters, variously meeting for the first time or linked by a shared past, are interspersed with comic interludes. Caricature television chefs present us with recipes, the women either drunk or genteely sadistic, the men rancorous or leeringly smutty. As in *Joe Egg*, these stand-up comic turns should serve as intermezzi, pauses to relieve the tension; but they typify the play's weakness by breaking it up even further. The work, peppered with good lines, sprinkled with perceptive observations and garnished with wit, fails to gel.

Ted Craig's direction fails to clarify the confusion at the climactic party when each of the four players keeps switching between two characters without changing hairstyle or costume. On the other hand, the device of embodying a character's inner thoughts by a masked actor who utters the actual "subtitles" to the polite lies of social chat, succeeds beantifully. Hence the play's most touching moment, when Phillida tries to voice her ineffectual principles to the one other person who would sympathise, only to realise that she must sound half-witted. The little tragedy of two people separated by inarticulateness is played out unsentimentally by Jonathan Hackett and Pamela Moiseiwitsch.

Phillida is possibly the play's most complex creation and Miss Moiseiwitsch does her justice, though elsewhere her indistinct delivery scarcely carries. Paul Gregory's embodiment of privilege both new – as in the former Labour activist furtively sidling away from his old friends – or established – a brilliantly unexaggerated smoothie of casual arrogance – combines with Mr Hackett in the cast's strong male contingent, though Sally Faulkner's brisk upwardly mobile Mary has the ring of graceless truth.

The play's many ideas fail to hang together, but designer Michael Pavelka's deployment of a kitchen worktop and basic dining room furniture in a *Hedda Gabler*-like upstage recess adds to the flexibility, freedom and fluidity with which the author uses the theatre and which will surely be seen to good effect in future works.

Powerful medicine for the ears

COVER TO Cover Cassettes, writes Mary Postgate, have recorded Anthony Trollope's captivating mid-Victorian romance *Doctor Thorne*, unabridged, on 15 cassettes, lasting 20 hours 40 minutes (CC/051). The plot revolves round an upper-class family's obsession with money, property and social class, but the narrative is full of tenderness and human sympathy. Timothy West's reading is quite impeccable: warm, intelligent in the highest degree and wonderfully versatile.

Versatility was also the hallmark of the late Joyce Grenfell, a newly-selected collection of whose classic monologues and songs has just been issued by EMI under the title *Re: Joyce* (LP: EMS1305; CD: CDP 7 90991 2; cassette: TC-EMS1305). They include two unforgettable pieces from 1939, *Committee* and *Useful and Acceptable Gifts*; *Shirley's Girlfriend* (at the funfair) from 1958, and the cruelly observant *Opera Interval* from 1978; also the wise and charming song *Time*, about the four ages of woman, and the much loved *I'm Going to See You Today*.

Of four two-cassette abridged sets from Listen for Pleasure, *Stalker* (LFP7352; three hours approx) read by the author, John Stalker (until recently Deputy Chief Constable of the Greater Manchester Police Force) gives most food for thought. This is his own deadpan account of difficulties he met on investigative duties in Northern Ireland, his subsequent suspension and ultimate vindication. After being re-instated, he resigned from the Force. Compulsive listening.

The next is *Psycho* (LFP7343; three hours approx), Robert Bloch's clever American suspense thriller, persuasively read by Kevin McCarthy: neighbourly voice, easy pace, nasty shocks. *David Copperfield* (LFP7346) has been so tightly abridged that the wealth of detail and atmosphere it retains in this three-hour version – Peggotty, Uriah Heep, Micawber and all plus Dickens's own emotion – seems almost miraculous. Splendidly read by Anton Rodgers and highly enjoyable.

High Stakes (LFP7358, a re-issue from 1977) by Dick Francis is the one about the toy-inventor who crosses a crooked trainer and is one of the Master's best. Read by James Bolam it gives two hours of very good listening.

Argo offers a well-abridged *The Old Wives' Tale* by Arnold Bennett, published in 1908, one of his stories of the Potteries (SAY Series 418 198-4ZS2; two cassettes; three hours approx.), nicely read by Phyllis Calvert: the true flavour of Bennett comes through, ironic but humane. Also from Argo, another two-cassette abridged set, *Bulldog Drummond* (SAY Series 418 186-4ZS2; 2¼ hours) by "Sapper" (H.C. McNeile) published in 1920 and immensely popular at that time.

Pavilion Records of Wadhurst, Sussex, have produced a delectable one-cassette, one-hour life-and-works of Edward Lear in *How Pleasant to Know Mr Lear* (Pearl THE604) read with enthusiasm by husband and wife Richard Pasco and Barbara Leigh-Hunt; and the North West Sound Archive, at Clitheroe Castle, offers a CD called *Caught in Time*, an intriguing compilation of sounds, music and – above all – reminiscences of Lancashire life going back to the early years of the century.

An alchemist in love with lustre

***Susan Moore** enthuses over an exhibition of the works of a masterly pottery designer*

Detail of a tile design by William de Morgan

IS IT FAIR to describe William de Morgan as the William Morris of pottery design? He is invariably cast in the great man's shadow. Undoubtedly, like Morris, for whom he worked in the 1860s, De Morgan was a master of the art of pattern making. He too evolved a distinctive vocabulary of stylised foliage, birds and beasts from Middle Eastern and medieval sources, and expressed it with a rhythm, robustness and cohesion that has rarely been equalled.

To his one-time partner, the architect Halsey Ricardo, he was "an imaginative mechanic – an imaginative chemist – an imaginative engineer – as well as an imaginative designer." It is an epithet that could almost, but not quite, apply to Morris. De Morgan designed kilns and machinery, but by far his most spectacular invention – or rather, reinvention – was of the lost technique of lustre glazes, used to great effect by Hispano-Moresque and Italian Renaissance maiolica potters. The story of its rediscovery in 1869 or '70 has the whiff of alchemy.

According to his own account, De Morgan was working on stained glass windows when he was struck by the iridescence caused by the presence of silver in the outline paint after the glass had been fired. He set out to reproduce that effect on ceramic tiles, and to supply well-designed, hand-made "art tiles" to a growing middle-class market.

His progression from tiles to vessels, and through various design and technical experiments culminating in the remarkable double and triple lustres of the "Sunset and Moonlight Suite" of around 1900, is recounted in a glorious, beautifully displayed exhibition at the V&A (until June 18). De Morgan's sumptuous ceramics sing against their rich blue backdrop. Designs and working drawings are displayed usefully close to the realised ceramic, and pieces related to them stand nearby.

The show coincides with the publication of Martin Greenwood's catalogue "The Designs of William De Morgan" (£35). Its sponsors, Richard Dennis and William E. Wiltshire III, are the publishers. There are 1,248 sheets of watercolour drawings of tiles, tile panels, vessels and dishes by De Morgan in the V&A, deposited by his widow, the artist Evelyn De Morgan, in 1917. The catalogue presents the whole corpus for the first time, plus the Halsey Ricardo designs included in the gift, illustrations of related ceramics, and the briefest of introductions.

From both book and exhibition De Morgan emerges triumphant. He is a highly original, even quirky designer. His first interest may have been flat pattern and glaze but he proved consummately skilful in relating decoration to the shape of hollow ware, and background ornamentation to motif. The chests of heraldic birds or the *sails* of galleons swell around the belly of a vase; coiled serpents or shoals of fish sensuously accentuate curves.

From the start there is a humour and a penchant for grotesquerie. Fish chase rabbits, Celtic-style beasts swallow their tails, owls wink as they grab a mouse, while a monkey reaches out for the moon's reflection. His is the world of the unicorn and the hippocamp.

The ceramics – painted on factory-produced blanks by his studio – can be neatly subdivided. First come the tiles made largely at his studio in Cheyne Row in 1872-82, then the glowing red or golden lustreware dishes of the 1880s. "Persian" vessels predominate, inspired by Isnik and other Islamic ceramics in the South Kensington Museum, and boldly painted in turquoise, green, blue and sealing-wax red enamels. The show ends – or opens – with the brightly coloured but presumably deliberately stiffly-painted narrative chargers emulating Renaissance istoriato maiolica, which were fired at the Cantagalli kilns outside Florence at the turn of the century.

In 1898 William De Morgan's initially successful business went into liquidation and his partnership with Halsey Ricardo dissolved. (Eight years and a new partnership later, De Morgan published his first novel, *Joseph Vance*, and launched a second and far more lucrative career.) Sadly, none of the decorative schemes for P&O liners produced by Ricardo and De Morgan survive, although 12 schemes for tile panels exist in the museum.

However, the greatest memorial to their collaboration is preserved intact: 8 Addison Road, Kensington, the house built by Ricardo for Sir Ernest Debenham in 1904-7. De Morgan tilework enlivens its interior and exterior, offering a glimpse of the grime-free hoseable-down London envisioned by Ricardo and De Morgan – and William Morris. Until June 13 it will be open to the public every Tuesday evening, 6pm-7pm.

The D'Oyly Carte production of *The Pirates of Penzance*

Pirates to treasure

A *SIGNPOST on stage* reads "Penzance ½ mile, Liverpool 366 miles" – to be altered, no doubt, as the D'Oyly Carte Opera Company proceeds from Liverpool's Empire Theatre to Aberdeen, Southsea, and a dozen other towns before reaching London in October. In the second season of the re-launched company, *The Pirates of Penzance* is given with a relish for both Gilbert's text and Sullivan's music. Witty, active, well sung, the production is lifted by the conducting of the company's artistic director, Bramwell Tovey. Surely never has the overture been so pointed up for delicacy rather than brashness, and the reinstatement of Sullivan's cornets (rather than modern trumpets) pays a dividend in a well-turned solo.

In place of the older D'Oyly Carte pictorial realism, Marie-Jeanne Lecca's scenery is of toytown lightness: rocks fly up, a boat comes amusingly apart. Pirates, policemen and the Major-General's daughters are deftly dealt with by Keith Warner's stage direction and Anthony van Laast's choreography, in a light, dancing style of movement which never loses the musical beat.

The only blot is a final entrance for Queen Victoria in person, which is not merely redundant but actually blurs one of Gilbert's jokes, the pirates surrendering on the mere mention of the Queen's name. Having almost nothing to do save to waltz with the Major General, Her Majesty should be quickly scrubbed out.

The casting is admirable, except for Patricia O'Neill as Mabel. Maintaining a constant faultless *vibrato*, she drops her consonants in a manner barely excusable in "straight" opera, certainly not here. The whole verbal point of the mock-heroic valediction to the police ("Go, ye heroes, go and die!") consequently went for nothing, though the stage action was uproarious enough. Philip Creasy's Cedric exhibited a model of clear diction and deadpan morality, while the dynamic bodily style of Malcolm Rivers's Pirate King claimed kinship with Kevin Kline in the Joseph Papp staging, a well-remembered success in both New York and London.

The most joyful surprise, however, comes in the portrayal of Ruth, the "piratical maid-of-all-work." Quite different from the statuesque dames of the past is the roly-poly figure of Susan Gorton, with merry, knowing looks and quick movement, almost like Victoria Wood with the addition of an attractive light contralto voice. She needs only, in her amusing take-off of a West Country accent, to avoid rolling an R where no R exists ("gnawed").

The other presentation of the season (of which British Midland Airways is again the principal sponsor) is *The Mikado*. No Jonathan Miller de-Japanning here. Traditional fans and kimonos are framed by Eileen Diss's pretty scenery. There are few moments of dramatic surprise, save in the entry of a 6 ft 7 in Mikado – John Ducarel, cautious but capable in his first professional role.

John Wells's stage direction is curiously staid. The pace of dialogue is sometimes slow and the tension flattens where it should be greatest – at the end of the first act, from Katisha's bursting in on the celebrations. I suspect a misguided attempt, as also in Bramwell Tovey's over-deliberate conducting, to present *The Mikado* as a serious opera with comic bits. Katisha (Susan Gorton not so well suited) is not allowed to be grotesque, "with a caricature of a face." It is no compensation that Mr Wells throws in some redundant extra action, the "How-de-do" trio losing sharpness by the presence of the chorus.

What almost pulls the show round is the comic virtuosity of Eric Roberts as Ko-Ko. He excels himself as a Lord High Executioner with a Merseyside accent (other regional variations to follow?) and a nice line in deranged gesture. He was strongly supported by Malcolm Rivers (Pooh-Bah) and Gareth Jones (Pish-Tush), but the general level of performance was surely below the company's potential – and not merely because of an understudy's glum Nanki-Poo.

In a work so familiar some unusual variations of text will be remarked on. Insofar as they have been dug up from Gilbert's early versions of his work, they show only that when he revised he knew what he was doing.

Arthur Jacobs

Good, gracious Guinness

SIR Alec Guinness will be 75 tomorrow and, to mark the event, Ronald Harwood has edited a benign birthday tribute by friends and colleagues. *Dear Alec: Guinness at 75* (Hodder & Stoughton, 140 pages, £12.95) follows similar, more substantial, *festschrifts* from the same publishers in honour of Gielgud and Olivier.

There are many illuminating anecdotes in the quest to catch a personal glimpse of an actor renowned for backing quietly into the limelight. Coral Browne is served a perfect breakfast in the country, Eileen Atkins recounts how she was kept in an Ionesco play by Guinness after George Devine sacked her, Cyril Cusack (one of Guinness's three favourite actors) spots his "familiar" in Guinness and rejoices in his holy madness, Michael Codron notes his unerring instinct for "what will work," citing the invented dance of death at the end of Alan Bennett's *Habeas Corpus*, one of the most unforgettable moments of the modern drama.

J.C. Trewin documents the stage career, Garry O'Connor ponders the actor's "extraordinary capacity for ordinariness" in a fine chapter on the films, Simon Gray, ever the entertaining paranoiac, dyspeptically ruminates on his own omission from Guinness's memoirs.

Harwood curiously attacks Kenneth Tynan in his introduction before unravelling a ponderous thesis about the face and the mask, Guinness and the Greeks. The over-rated Tynan, he says, was wrong yet again in stating that Guinness belonged to no tradition. But whereas most of Harwood's contributors settle for attributes like secrecy, magic, and creative blankness, Tynan's 1953 monograph, which remains the best account of the actor, bristles with such penetrating assertions as "He exists in a histrionic air-pocket, isolated and circumscribed by his own eccentricity."

It is always salutary to return to Tynan, not least after anthologies which tend towards gush and backslap.

Even more adulatory is another of Robert Tanitch's fleetingly enjoyable picture books (*Guinness*, Harrap, 167 pages, £15.95), in which the Guinness gift for serene repose is uncomplicated, in these frozen images, by the deft animating flicks that so characterise his masterful acting.

Michael Coveney

At last, Dvořák finds a voice

Andrew Clark reports from Prague on the revival of a rarely-performed opera that does much to strengthen the composer's reputation

DVORAK'S reputation as an opera composer has never been very secure, and he seems to have been aware of it. In the past half-century, only *Rusalka* and *The Jacobin* have been able to maintain a place in the native Czech repertory. *Armida* and *The Devil and Kate* were both revived in Prague a few years ago, but in highly-unconvincing productions. *Dmitrij*, which has just received a concert performance from the Czech Philharmonic Orchestra under Gerd Albrecht, is the most ambitious in form and length, and – on paper at least – has always seemed potentially the most interesting: a kind of broadly-conceived Slavonic music drama, in which intimate personal relationships are framed by the turbulent affairs of state in Moscow after the death of Boris Godunov.

Opportunities to form a proper judgment on the opera, however, have been few. Prague last heard *Dmitrij* 25 years ago (a British staging was given more recently at Nottingham University). The main difficulty is finding a tenor with the necessary blend of stamina, power and lyrical grace for the title role. There is also the textual problem: Dvořák himself made two versions – the second of which is much more than a simple reworking of the first – and he later sanctioned a mixing of the two by Karel Kovarocic. There have been attempts to combine the best of both versions, notably by Zdenek Chalabala and Bohumil Gregor, who conducted the last National Theatre production in 1963.

The Czech Philharmonic concert in the Dvořák Hall was organised to coincide with a Supraphon recording of the first version (1882-3), based on a new critical edition by the Czech musicologist, Milan Pospisil. The concert itself seems to have been very much an afterthought. It lasted less than two hours, which means not much more than half the music was played. It was really a stringing-together of highlights, obliterating the kind of dramatic shading and contrast that are essential to any large-scale operatic form. Solo contributions bore the stamp of modern recording imperatives: the singers did not live and breathe their parts, in the way they might have done if they had had the benefit of a stage production or coaching from one of the more experienced Czech conductors.

So the project betrayed an odd scale of priorities: on the one hand, using the full backing of state-subsidised culture to champion an Urtext edition; on the other, submitting to narrow commercial recording pressures, and in the process, short-changing the opera's largest potential audience.

The concert was nevertheless a success. The music was rich in dramatic atmosphere, poised and often exhilarating, and always exquisitely scored. The swirling wedding music at the start of Act II, for example, sounded more than a match for Wagner or Mendelssohn. The eight-part choral writing, sung with virtuoso elan by members of the Prague Philharmonic Choir, and Czechoslovak Radio Chorus, had an almost Russian melancholy grandeur: *Dmitrij* was here revealed as a great chorus opera. Dvořák's treatment of solo voices, on the other hand, seems to owe more to Italian tradition: the arias offer long stretches of exquisitely-crafted lyrical music, and the blending of voices in the two love duets for Xenie and Dmitrij is beautiful.

In short, the performance suggested that *Dmitrij* is crying out for a well-cast modern staging, of the "bare essentials" kind that allows well-studied solo performances to stand within simple, imposing tableaux, so it is good news that Albrecht is to conduct a German language production at the Bavarian State Opera in 1992. In the circumstances, he made the best of his resources in Prague. The Czech Philharmonic was on impressive form, relishing all of Dvořák's instrumental felicities and showing off to advantage their wide range of colour in the score. Not least, in the Bohemian horn calls Albrecht extracted maximum dramatic punch, with a vivid ear for tremolo and crescendo effects. Above all, the concert supported the argument that Dvořák – far from maturing as an opera composer in his later years – simply needed the inspiration of a good libretto to fire his creative imagination.

Not all the solo voices were well-chosen. For all her vocal refinement, Magdalena Hajossyova is hardly the spinto soprano required for Marina. In the title role, Leo Marian Vodicka sang musically and with unforced freedom, despite a husky middle register which makes his tenor a matter of taste. The other members of the cast, including an imposing Shuisky from Ivan Kusnjer, and two excellent young basses, Peter Mikulas and Ludek Vele, were ideal. Most exciting of all was the Xenie, Livia Aghova, destined for a big career if she nurtures her radiant soprano with caution.

★

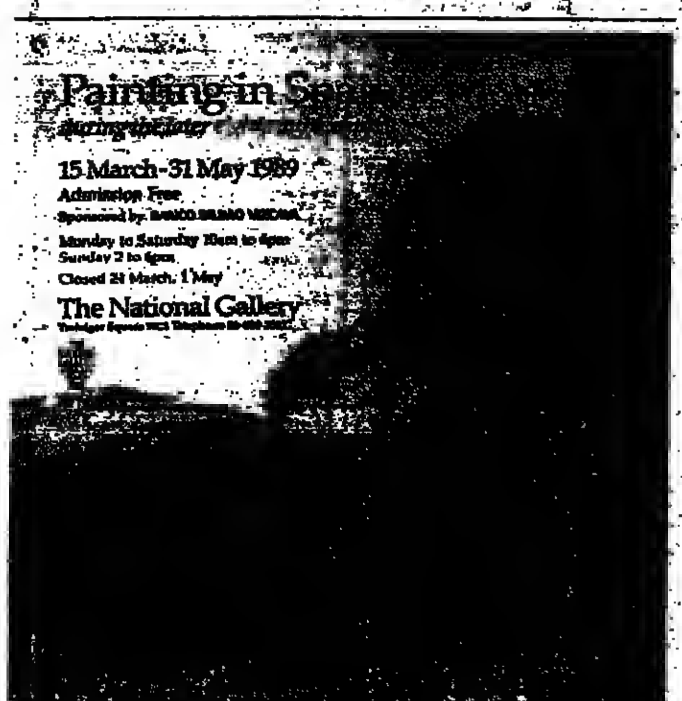
The Dvořák Hall (otherwise known as the Rudolfinum) is to close this summer for at least two years of renovation – depriving the Czech Philharmonic of its home and Supraphon of its only decent recording venue. The Smetana Hall is earmarked for the same treatment. The Czech bureaucracy is not known for its swiftness, and the effect of the closures on concert planning is already being felt. The other change is that Jiri Belohlavek is to succeed Vaclav Neumann as the Czech Philharmonic's chief conductor.

The post is the most prominent in Czech musical life and will give Belohlavek a high profile abroad. In recent years, he has helped develop the reputation of the city's other concert orchestra, the Prague Symphony, and I have enjoyed his Martinu performances. But there is a cool efficiency to his work – very much from the head rather than the heart – that can act as a handicap. In a concert at the Smetana Hall the evening before *Dmitrij*, the Eroica Symphony was faultlessly executed, but the temperature of the music-making was low.

The one unchanging sphere of Prague's musical life is the opera, which continues to be dominated by an overloaded treadmill of repertory performances. There are too many ageing singers and not enough openings for young talent in the field of staging and design. Artistic policy has become stagnant and too inbred. The National Theatre performance I saw of *The Brandenburgers in Bohemia* revealed a sadly-dilapidated production.

CHESS No 766

The black king could not have reached QR7 (or QR8 or QN8) legally, past the unmoved white QB and pawns; so it has been dropped off the board, then misplaced. Put the king anywhere else on the board where it is not in check, and White has a mate in one.



Poetry in slow-motion

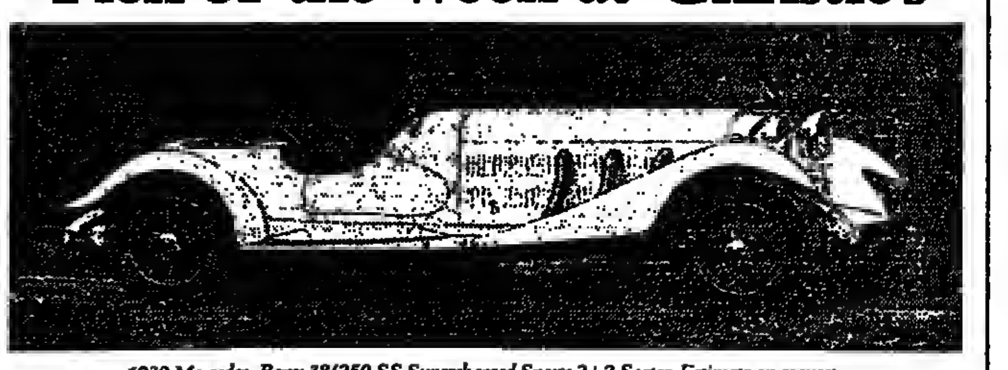
Expecting to hear Diana Montague at London's Elizabeth Hall on Thursday, one found Jill Gomez in her place – not that Miss Gomez could seriously be thought of as a "replacement" for any other singer. With the same pianist, the excellent Roger Vignoles and the Capricorn Ensemble under Lionel Friend, she kept almost all of the Montague programme, only dropping minor Delage in favour of Ravel's peerless Mallarmé settings.

She sang Debussy's five Baudelaire songs – earlyish, Wagner-tinted and deeply erotic – from the score; can she possibly have learnt them for the occasion? Whether or no, she gave the subtlest, most searching account of the cycle that I have heard: less likely, I fear, to prompt other singers toward these gravely neglected songs than to discourage them from competing. Despite her usual quota of French vowels never heard on land or sea, her attention to Baudelaire's prosody was immaculate, her appreciation of its sense intimately sensuous. Vignoles spelled out the decorative piano-writing in graceful style; another time it would be good to hear Debussy's bold harmonic plans more firmly tamped home.

The pianist excelled in a drily witty pair of Roussel songs, and in the ravishing accompaniment to Duparc's "L'Invitation au voyage." In both her Ravel cycles – the *Chansons madécasses* as well as the three Mallarmé *Poèmes* – Miss Gomez was as lavish with imaginative details as she was scrupulous with the larger silhouettes of every song. The sharply distinct Madagascar vignettes were captured in marvellous depth.

It must be said that Ravel would have found many of her tempi insufferably slow. The Mallarmé "Soupir" should float and shimmer, "Placet futile" gurgle suggestively, the "pur vase" of the last sonnet revolve in eery suspension; at the hieratic pace preferred here throughout, it took all Miss Gomez's art to make the differences felt – even then, the final song nearly expired a third of the way through. In the last Madagascar sketch the steel-band evocation was captivating, but the deliberate throwaway at the end ("Allez, et préparez le repas") became a lingering plaint: not what Ravel had in mind. Miss Gomez, of all people, doesn't have to resort to slow-motion to persuade us that these songs are inspired music.

David Murray



Disgraced legend who remains an enigma

Michael Thompson-Noel studies the form in the racing world since Lester Piggott fell from grace

WHEN IT comes to money, horse racing is the biggest of the big-time sports, easily eclipsing those amusing little side-shows: golf, soccer, tennis, baseball and American football. The reason for this is that horse racing has three distinct arms, all of which are big-money businesses: breeding and selling; training and racing; and betting.

Given the volumes of money that are involved, it is little wonder that the Sport of Queens offers more scope for mischief, naughtiness, deceitfulness, cheating – and sometimes downright villainy – than dozens of lesser sports combined.

Little of this naughtiness comes to the surface. Occasionally you will read about a betting coup that failed: bookies are hyper-touchy, and are excessively prone to whingeing. Or you will read that such and such a trainer has been fined for doping, or that someone has been warned off the Turf for breaking the rules.

Generally, though, racing's sins and sinners stay hidden from view. The most notable exception to this rule was Britain's 11-times champion jockey Lester Piggott, whose momentous career – 4,349 wins from 19,809 rides, including 29 English Classic successes – ended in catastrophe when he was sentenced to three years' imprisonment in October 1987 for what the prosecuting counsel called a massive evasion of corporation and income tax over a period of more than a decade. The amount of undisclosed income totalled £3,118,788, the amount of tax evaded, £1,730,290. Piggott served a year of his sentence, and is now back in circulation – popping up at luncheons, signing autographs, that sort of thing.

The ramifications of the Piggott case are numerous and complex, and are described in a book, *Lester Piggott: Downfall of a Legend*, by Roy David that was published this week. As the author makes clear, it is only quite rarely that accusations such as those that felled Piggott can be made to stick, or that much of racing's dirty linen is washed in public.

As was revealed at the trial, Piggott was not only greedy, but unbelievably foolish. At a very late stage in the drama, even when given the chance to finally come clean, it was discovered that Piggott was still keeping secret, even from his accountants, the existence of 17 bank accounts containing more than £2m.

No-one knows how much skulduggery or cheating occurs in racing – partly because there are so many ambiguities, so much elusiveness, so many grey areas. One of these grey areas concerns betting by owners on jockeys' behalf. Indeed, the reason for the non-disclosure of Piggott's secret bank accounts derived from the fact that they were stuffed full of money gained in this manner.

According to Piggott's barrister, John Mathew, QC: "Betting by a jockey himself is absolutely prohibited by Jockey Club rules. It is a cardinal sin, and if discovered would be severely dealt with . . . That applies to any betting by a jockey . . . On the other hand there is nothing in the rules which appears to suggest that owners shall not give a percentage of their betting wins to the jockey who rides their winning horse, although in reality that is really just another way of funding a bet for the jockey and placing it on his behalf. It has become a very common practice, certainly in regard to top jockeys, although owners would never broadcast the fact and sometimes would not even tell the jockey concerned until after the event . . . Substantial bets for jockeys were really quite commonplace."

So far so clear, you might think. And there you would be wrong, for this is a typical grey area. As the advocate explained, the dividing line between defining such a bet as a jockey's bet or an owner's bet resulting in the jockey receiving a cash gift from the owner's winnings might be very indistinct; indeed, an owner's bet for a jockey might easily be construed as a jockey's bet for himself.

And what of the tax liability? In the words of John Mathew: "If the owner, a jockey or any person placed a bet for himself, no income tax would be payable on the winnings, except of course betting tax, but if an owner funds a bet for a jockey, what is the position then? Is the stake a gift and taxable? If so, does it make any difference if it is a winning bet or a losing bet? If a winning bet, stake or otherwise, is taxable, is a losing bet deductable? Are the winnings, as distinct from the stake, taxable on the basis that they in fact constitute a gift in relation to his riding?"

All very grey.

Downfall of a Legend contains plenty of detail on the Piggott case. But the disgraced "legend" himself remains an enigma. This is strange, because if any journalist had Piggott's ear it ought to have been Roy David, who is a former racing correspondent of the *Liverpool Post* and who was the ghost writer of Piggott's regular column for the *Star*.

David rehashes odd bits and pieces about Piggott's upbringing, his (unsurprising) single-mindedness, his meanness and selfishness, his overpowering greed and ruthlessness. And the author torpedoes the eccentric notion that jockeys are any use at tipping winners: "On the whole question of jockeys gambling or passing on information," he writes, "it puzzles me why anyone should want to ask, let alone pay, any rider of a racehorse for privileged information. Jockeys are notoriously poor tipsters anyway and, as someone in regular contact with Piggott as the writer of his column for a national newspaper, I found that he was as bad as most if not worse – many of the horses he tipped are still running."

The best summary of Piggott's character remains that delivered at his trial by his lawyer: "A genius as a jockey . . . but an introverted and isolated person with an inability to communicate; a person of extreme thrift and a hoarder of money; a man with no interests, no relations or indeed any knowledge of anything outside racing; brilliant within his own little tiny sphere, but really uneducated in all other aspects of life about which he was uninterested, uncaring and probably without the mental or physical energy left even to try to cope."

As the 1989 Flat season gathers pace (some experts are predicting a vintage year), we can be certain of one thing: because of the Piggott case, British racing has cleaned up its act. In all its hidden nooks and class-ridden crannies, it is a more honest, more scrupulously run business than it was before. There is less villainy, and much less naughtiness, about. How long this will last, no-one can say.

Lester Piggott: Downfall of a Legend, published by Heinemann Kingswood, £10.95.

Those were the days: Lester Piggott aboard Shadeed after winning the 1985 2,000 Guineas, Piggott's 29th English Classic success

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Tournament may become jewel in the crown

John Barrett reports from Key Biscayne, Florida on the realisation of a tennis dream

FOR BUTCH Buchholz, the chairman of the $2.1m Lipton International Players Championships, the dream has been magnificently realised. In spite of the absence of some leading players and the early demise of others, record crowds (9 per cent up on last year) have flocked to this unique tournament in Key Biscayne, Florida, to witness several spectacular encounters.

Most of the excitement has been provided by that acrobatic Frenchman Yannick Noah, and today's women's finalists, Chris Evert, the local heroine, and the 18-year-old Argentine beauty Gabriela Sabatini, all of whom have been severely tested.

Now in its fifth year, this championship is the only tournament outside the four Grand Slams that occupies two weeks and the only one that directly benefits the men's and women's players associations. Buchholz has shown considerable business acumen in securing the wholehearted support of the two key elements – the local authority, Dade County, and the main sponsor, Thomas J Lipton Inc – that have at last established this event in a permanent home after two false starts.

The dream of a tournament owned by the players was borne out of the frustration of those twilight years of professional tennis in the mid-1960s when Buchholz and his colleagues – Lew Hoad, Ken Rosewall, Fred Stolle, Tony Trabert, Pancho Gonzales and the other former amateur champions – were denied access to the game's principal events and treated as inferior beings by the amateur administrators of the day.

Butch's subsequent career proved to be an ideal training path for his present position. After various roles, in 1978 he became the first commissioner of World Team Tennis, the maverick US inter-city league. Two years later, after a spell as the marketing director of the Association of Tennis Professionals, Butch succeeded Bob Briner as ATP's executive director.

After discussions with Gerry Diamond of the Women's Tennis Association, Butch applied to the Men's Professional Tennis Council for a two-week slot in the calendar early in the year for a players' championship.

The concept was announced at the French Open in 1984 and the first tournament was held at Delray Beach, Florida, the following year, by which time Butch had parted company with ATP.

Lipton was a natural ally as the main sponsor. Since 1976 Gerry Boyckes, then the director responsible for marketing and promotion, had been supporting various amateur tennis events around the country after research had shown that Lipton's canned iced tea was popular with tennis players and golfers everywhere.

Last year's dramatic announcement that Lipton had decided to extend their sponsorship to 30 years was a heartening endorsement of the faith that the company had in Butch and his brother Cliff who, from the beginning, had been the tournament director.

The event is now managed by Lipton Sports Inc with the Buchholz brothers engaged as independent agents to run the tennis and the Lipton company underwriting any loss.

The part played by Dade County, the local authority, is a crucial element in the mix. It was thanks to Merrett Stierheim, a former county manager of Dade County, who, since 1985, has been the executive director of the WTA, that the present 35-acre site – a former refuse tip – was made available.

Recognising that a major tennis tournament would have a huge impact on the economic prosperity of the area (last January's Superbowl XXIII, for example, created a $100m benefit), the parks and recreations department were empowered to infill the land, provide the sewage and power services, build the 17 courts and landscape the site.

Phase 2 involves the provision of the clubhouse, a facility that was essential to preserve the confidence of the players who had spent two uncomfortable years in trailers. When Buchholz was unable to provide the finance the county stepped in to build it. The whole project is seen by them as a public asset which, for all but 30 days of the year, is a facility open for hire

Moreover the annual rent charged to the tournament for the grounds ($50,000) and the clubhouse ($70,000) offsets the cost of providing the temporary footbridges ($30,000) and the extra police ($50,000).

What of the future? With the new ATP tour coming into existence in 1990 the Lipton Tournament will be reduced to a 10-day event and will have no long-term guarantee of a suitable date in the men's calendar. If Buchholz cannot deliver that, then Liptons would be at liberty to withdraw. However, tha two players' associations each have good economic reasons to continue their support of an event which benefits them both financially.

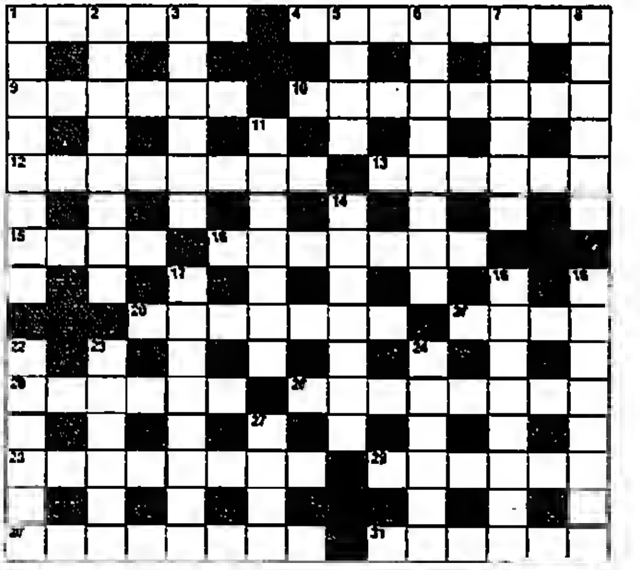
Buchholz showed ma tha plans for Phase 3 – a magnificent 10,000-seat centre court which he plans to finance partly by the issue of debentures and partly by selling corporate entertaining boxes. This would be a major benefit to bottom line because the building would accommodate many of the facilities that are presently housed in tents and trailers that cost $500,000 each year.

My guess is that the Buchholz brothers, Liptons, Dade County and the International Management Group, who have won the marketing rights for the ATP tour by guaranteeing to find at least $56.2m over the next three years, will between them develop the Players Championship into the jewel of the tour.

CROSSWORD

No. 6,898 Set by CINEPHILE

Prizes of £10 each for the first five correct solutions opened. Solutions to be received by Wednesday April 12, marked Crossword 6,898 on the envelope, to the Financial Times, Number One Southwark Bridge, London SE1 9HL. Solution on Saturday April 15.

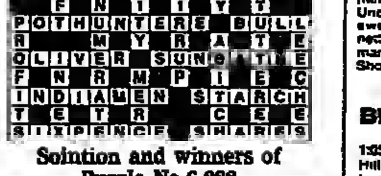


The puzzle is normal: but when completed its four corner sections may reveal a hand of thirteen cards, which solvers should include with their solution. (Bridge players may like to include an opening bid: there are no prizes for this.)

ACROSS
1 Fellow on one side of learning centres (6)
4 First woman among strange gentlemen takes revenge (4,4)
9 Esoteric witticism by Joe and kin? (2,4)
10 Little girl, nuts without student, rocks (8)
12 Kick at marshal's carriages (8)
13 Two old pence be damned! (6)
15 Irish river bird (4)
16 Crafty about state of bondage (7)
20 Crack angler, we bear (7)
21 If you can't beat with it, join it! (4)
25 Vow to put piano on shelf (6)
26 Disposed of, having quarrelled? (8)
28 Mountains come back in cubes put out of order (8)
29 What's wrong about the upper fifth being lively in performance? (6)
30 Number Ten, so witty for a change (5-3)
31 Financial Times parody of informal dress? (6)

DOWN
1 Raise the hinge, possibly (8)
2 A disc jockey gets a little money next door (8)
3 Attractive family in price label (6)
5 It's wrong to be upstanding (4)
6 TV award's coming up: have a go, by order (8)
7 Very pleasant city with no railway (it ends on the mainland) (6)
8 Modest end of game? (2-4)
11 Leaders of Church Youth Club of old desire one on two wheels (7)
14 Love of gold or volcanic matter topped with cereal (7)
17 Victorian author breaks leg in sky (8)
18 Wave flag on tea-table? (8)
19 Dutiful love has to perish among the crooked (8)
22 Excavators are frankly so called (6)
23 Alfred's prowess extended partly here (6)
24 Dog's home: stick around (6)
27 Southern beast in barge (4)

Solution to Puzzle No.6,897



Solution and winners of Puzzle No.6,888

Mr A.H.J. Diamant, London W13; Dr T.W. Gardner, Grange-over-Sands, Cumbria; Mr G.C. Harvey, West Ewell, Surrey; Mrs M.E. Hutt, South Kilworth, Leics; Mr J. McQuhae, St Remy de Provence, France.

TELEVISION & RADIO

SATURDAY

†indicates programmes in black and white

BBC1

8:25 am Saturday Starts Here. 8:40 Roland's Rat Race. 9:00 Going Live! 12:12 pm Weather. 12:15 Grandstand, including: 12:20 Ice Hockey (Whitley Bay v Durham); 12:40 Motor Racing (Esso British Touring Car Championship); 1:00 News; 1:05 Cricket - preview; 1:10 Ice Hockey; 1:45 Racing from Newbury; 1:55 Ice Hockey; 2:15 Racing from Newbury; 2:25 Ice Hockey; 2:50 Racing from Newbury; 3:00 Hockey (Poundstretcher National League Cup Final); 3:45 Football; 3:55 Hockey; 4:35 Final Score.

5:05 News. 5:15 Sport/regional news. 5:20 Rolf Harris Cartoon Time. 5:45 Jim'll Fix It. 6:25 Little and Large. 7:10 Bob Says...Opportunity Knocks. 8:00 Columbo. 9:15 News and Sport. 9:30 Midnight Caller. 10:20 The Odd Couple. 10:45 Film: "Sugarland Express" (1974) with Goldie Hawn and William Atherton. 12:30 am Elvis in Aloha From Hawaii.

BBC2

2:45 pm Network East. †3:25 Film: "I'll Be Your Sweetheart" (1954) with Margaret Lockwood and Michael Rennie. †5:05 Film: "Hollywood Hotel" (1942) with Dick Powell, Rosemary Lane, and Benny Goodman and his Orchestra. 6:50 The Triumph of the West. 7:40 Newsview.

8:25 Rhythms of the World: 'Maytime on the Mosquito Coast'. 9:30 The 'Slap' Maxwell Story. 9:55 Film: "Tango Bar" (1988) with Raul Julia and Valeria Lynch. 11:20-12:20 am Robert Mapplethorpe (Arena profile of the American photographer is shown again as a tribute, following his recent death).

LONDON

6:00 am TV-am Breakfast Programme. 9:25 Ghost Train. 11:30 Follyfoot. 12:00 The Chart Show. 1:00 pm ITN News, followed by ITV national weather. 1:05 Local news and weather, followed by Saint & Greavsie. 1:40 Sportsmasters. 2:10 Cartoon Time. 2:30 Follyfoot, part 2. 2:50 Film: "The Patricia Neal Story" (1981 tv film) with Glenda Jackson and Dirk Bogarde. 4:45 Results Service. 5:00 ITN News, followed by ITV national weather. 5:05 Local news and weather. 5:15 The Incredible Hulk.

6:15 Catchphrase. 6:45 You Bet! 7:45 Murder, She Wrote. 8:40 ITN News and Sport, followed by ITV national weather. 9:00 Local weather. 9:05 Film: "The Karate Kid" (1984) with Ralph Macchio, Noriyuki 'Pat' Morita and Elisabeth Shue. 11:25 Saturday Night at the Movies. 12:10 am The Highwayman, followed by ITN News Headlines. 1:10 Film: "Contract on Cherry Street" (1977) with Frank Sinatra, followed by ITN News Headlines.

CHANNEL 4

9:30 am One Hundred Kids Waiting for a Train (with subtitles and signing). †10:35 Film: "The Amazing Mrs Holliday" (1943) with Deanna Durbin and Edmond O'Brien. 12:25 pm Dance with Me. †12:35 Film: "Three Comrades" (1938) with Margaret Sullavan, Robert Taylor, Franchot Tone and Robert Young. 12:45 Movie Museum. 3:25 Channel Four Racing from Doncaster. 5:05 Brookside. 6:00 Right to Reply. 6:30 Challenge to Sport.

7:00 The World This Week. 8:00 Hell and High Water. 9:00 Film: "Sarraounia" (1986) (with English subtitles). 11:15 Montreux Jazz '88, includes Tracy Chapman, Miles Davis, Aretha Franklin and Dave Brubeck. 12:20 am Rivron. 12:50 Film: "The Palm Beach Story" (1942) with Claudette Colbert, Joel McCrea and Rudy Vallee.

S4C WALES

As Channel 4 except:-
10:30 am Vintage, a History of Wine. 11:00 Pictures in the Mind. 12:00 Flight Over Spain. 12:30 pm Sumo. 1:00 Film: "Showboat" (1951) with Howard Keel, Kathryn Grayson, Ava Gardner, Joe E. Brown and Marge and Gower Champion. 3:00 Racing from Doncaster. 6:30 Century of Childhood. 7:00 Carreg Ateb. 7:30 Newyddion. 7:45 Y Maes Chwarae. 8:40 Rargian Fawr. 9:00 Behaving Badly. 10:00 The Big Company. 11:10 Movie Museum.

IBA Regions as London except at the following times:

ANGLIA

11:30 am Mr Merlin. 12:00 The Chart Show. 2:10 pm The Fall Guy. 3:05 Film: "Who's Minding the Store?" with Jerry Lewis and Jill St John. 5:15 ALF. 5:45 Superboy. 12:10 am Anglia Soccer Special, followed by ITN News Headlines. 12:40 Film: "Cloud Dancer" with David Carradine.

BORDER

11:30 am The Chart Show. 12:30 pm America's Top 10. 2:10 The Fall Guy. 3:05 Film: "Dentist in the Chair" (1960) with Bob Monkhouse and Peggy Cummins. 12:10 am Film: "The Blues Brothers" (1980) with John Belushi and Dan Ackroyd.

CENTRAL

11:30 am Star Fleet. 12:00 The Chart Show. 2:10 pm Sportsworld. 12:10 am Prisoner: Cell Block H. 1:10 Film: "Mommie Dearest" (1981) with Faye Dunaway.

CHANNEL

11:30 am The Chart Show. 12:30 pm Rallycross: Shell Oil's Classic from Brands Hatch. 12:55 The Postcard Show. 2:10 Hillary's Adventures. 2:40 Cartoon Time. 12:10 am Cinemattractions. 12:40 America's Top Ten - Heavy Metal. 1:10 The Leonard Rosen Show.

GRANADA

11:30 am The Chart Show. 12:30 pm America's Top Ten. 2:10 The Man from UNCLE. 3:10 Film: "Carry On Up the Jungle" (1970) with Frankie Howerd, Sidney James and Charles Hawtrey. 12:10 am Film: "The Blues Brothers" (1980) with John Belushi, Dan Aykroyd and Kathleen Freeman.

GRANADA

11:30 am The Chart Show. 12:30 pm America's Top 10. 2:10 The Man from UNCLE. 5:10 The Incredible Hulk. 11:25 Police Woman. 12:30 am The Hit Man and Her.

HTV

11:30 am The Chart Show. 12:30 pm America's Top Ten. 2:10 ALF, followed by Cartoon Time. 12:10 am Sledge Hammer. 12:40 Married...with Children.

TSW

11:30 am The Chart Show. 12:30 pm The South West Week. 2:10 Faster Than the Wind. 2:40 Cartoon Time. 5:05 Newsport. 5:10 The Incredible Hulk. 6:10 Gus Honeybun's Magic Birthdays. 12:10 am Film: "The Blues Brothers" (1980) with John Belushi and Dan Aykroyd.

TVS

11:30 am The Chart Show. 12:30 pm Rallycross (the Shell Oils Classic from Brands Hatch). 2:10 Hillary's Adventures. 2:40 Cartoon Time. 12:10 am Cinemattractions. 12.40 America's Top Ten. 1:10 The Leonard Rosen Show.

TYNE TEES

11:30 am The Chart Show. 12:30 pm America's Top Ten. 2:10 The Fall Guy. 5:05 Cartoon Time. 12:10 am Film: "The Blues Brothers" (1980) with John Belushi, Dan Aykroyd and James Brown.

YORKSHIRE

11:30 am The Chart Show. 12:30 pm America's Top 10. 2:15 ALF. 2:40 Cartoon Time. 12:10 am ITN News Headlines, followed by Film: "The Blues Brothers" (1980) with John Belushi and Dan Aykroyd.

RADIO

(S) Stereo on FM

RADIO 2

6:05 am Ronnie Hilton. 8:00 Sounds of the 60s with Neil Sedaka. 10:00 Anne Raeburn. 12:00 Gerald Harper. 1:00 pm The News Headlines. 1:30 Sport on 2, including Football and Racing from Doncaster. 6:00 Sports Report. 6:00 Cinema 2. 6:30 The Seven Ages. 7:00 Pop Score.

7:30 Lorna Dallas - My Musical World. 8:30 Skellern at White Rock, with Peter Skellern. 9:30 String Sound. 10:05 Martin Kelner. 12:05 am Night Owls with Dave Gelly. 1:00 Colin Berry presents 'Nightride'. 3:00-4:00 A Little Night Music.

RADIO 3

7:00 am Morning Concert. 8:15 The Week on 3. 8:30 News. 8:35 Schubert Piano Music. 9:30 Saturday Review. 1:00 pm News. 1:05 Third Ear: Gillian Reynolds chairs a discussion of politics and the arts. 1:30 The Mozart Piano Sonatas. 2:05 Venetian Baroque. Raglan Baroque Players/Nicholas Kraemer: Vivaldi (Concerto in G, RV 151, 'Alla rustica' and Concerto in A, RV 546), Albinoni (Concerto in G Op 9 No 6), Vivaldi (Concerto in G, RV 516). 2:35 From the Proms 1988.

4:30 Debut: Adelina and Justen Oprean (violin and piano): Bartok arr Szekely (6 Romanian Folk Dances) and Schubert (Sonata in A, D574). 5:00 Jazz Record Requests. 5:45 Critics' Forum. 6:35 The Mozart Piano Sonatas: Hans Leygraf plays the Sonatas in F (K280) and B flat (K333). 7:05 "Macbeth": Verdi's opera recorded at last year's Dresden Music Festival with Barry Anderson in the title role. Aldo Ceccato conducts the Dresden Philharmonic Chorus and Orchestra. (7:55-8:00 & 8:50-8:55 Interval talks on the opera, by Julian Budden).

9:40 Bach's Inventions. 2- and 3-part inventions played by Jean Louis Steuerman (piano). 10:05 "The Flounder": last of six plays by Peter Redgrove drawn from Grimms' Fairy Tales. 10:40 English Chamber Orchestra, with Oscar Shumsky (violin): Schubert ('Unfinished' Symphony), Spohr (Violin Concerto No 8), Schubert (Symphony No 5). 12.00-12.05 am News.

RADIO 4

7:00 am Today. 9:00 News. 9:05 Sport on 4 with Cliff Morgan. 9:30 Breakaway. 10:00 News; Loose Ends. 11:00 News; Talking Politics. 11:30 From Our Own Correspondent. 12:00 Money Box. 12:25 pm Beachcomber...By the Way (s). 12:55 Weather. 1:00 News. 1:10 Any Questions? 1:55 Shipping Forecast. 2:00 News; Any Answers? 01-580 4411. 2:30 Play: "Violette" by Ray Jenkins (s). 3:45 High Days and Holy Days. 4:00 News; A Year of Dying Dangerously. 4:30 Science on Pleasure.

5:00 Visiting Lives. 5:25 Week Ending. 5:50 Shipping Forecast. 5:55 Weather. 6:00 News; Sports Round-up. 6:25 Citizens (s). 7:10 Stop The Week, with Robert Robinson (s). 7:45 Saturday-Night Theatre (s): "The Narrow Corner" by Somerset Maugham. 9:15 Music in Mind (s). 9:55 Ten To Ten (s). 9:59 Weather. 10:00 News. 10:15 The Saturday Feature: 'To the Mountain Top'. 10:45 The Cartoonists (s). 11:00 Lenin of the Rovers (s). 11:30 The Million-Pound Radio Show (s). 12:00-12:30 am News.

SUNDAY

†indicates programme in black and white

BBC1

8:55 am Playbus. 9:10 Articles of Faith. 9:30 This is the Day. 10:00 The Software Show. 12:25 pm Sign Extra. 12:30 Country File. 1:00 News; On the Record. 2:00 EastEnders. 3:00 Film: "Hellfighters" (1968) with John Wayne, Katharine Ross, Jim Hutton and Vera Miles. 4:55 Head of the Class. 5:20 The Clothes Show. 5:30 The Animals Roadshow, with Desmond Morris and Sarah Kennedy. 6:25 News. 6:40 Songs of Praise.

7:15 Only Fools and Horses... Another opportunity to see the BAFTA Best Comedy award-winning Christmas special, with David Jason, Nicholas Lyndhurst and Buster Merryfield. 8:35 May to December. 9:05 Mastermind. 9:35 Talking Heads: 'A Cream Cracker Under the Settee': Thora Hird's BAFTA award-winning performance in Alan Bennett's monologue. 10:05 News. 10:20 Everyman. 11:10 The Software Show. 11:40 Advice Shop. 12:10 am Network East.

BBC2

1:05 pm Foley Square. 1:30 Home from the Hill. 2:10 US Masters Golf 1988 (highlights of last year's US Masters when Sandy Lyle became the first-ever Briton to win the coveted Green Jacket). 3:00 "Cinderella". The fairytale ballet scored by Prokofiev, in a version by Rudolf Nureyev set in 1930s Hollywood. With Sylvie Guillem and the Paris Opera Ballet.

5:05 Rugby Special. 6:35 The Money Programme. 7:15 Solti Conducts Bartok. 8:15-12:35 am Hotel Terminus, 'The Life and Times of Klaus Barbie': Marcel Ophuls' documentary (with subtitles) about the notorious 'Butcher of Lyons'.

LONDON

6:00 am TV-am Breakfast Programme. 9:25 Ghost Train on Sunday. 10:15 The Campbells. 10:45 Link. 11:00 Meditation. 12:00 Encounter. 12:30 pm The Weekend Live. 12:45 Police 5. 12:50 Local news and weather. 1:00 ITN News, followed by ITV National Weather. 1:10 Eyewitness. 2:00 Coronation Street. 3:30 The Match: Manchester United v Arsenal. 5:05 Bullseye. 5:35 Sunday Sunday.

6:30 ITN News, followed by ITV National Weather. 6:35 Local news and weather. 6:40 Appeal: Brian Johnson appeals on behalf of British Blind Sport. 6:45 Highway. 7:15 People Do the Funniest Things. 7:45 Forever Green. 8:45 ITN News, followed by ITV National Weather. 8:55 Local weather. 9:00 The Heroes. 11:00 The South Bank Show: Hamlet. 12:00 The Chart Show, followed by ITN News Headlines. 1:00 am The Other Side of Midnight.

CHANNEL 4

9:25 am Movie Mahal. 10.00 The World This Week. 11:00 Pob's Programme. 11:30 Worzel Gummidge Down Under. 12:00 The Waltons. 1:00 pm Lost in Space. †2:00 Film: "The Ghost and Mrs Muir" (1947) with Rex Harrison. 3:55 Big World Cafe. 4:55 News summary and weather. 5:00 Return to Bewdley. 5:30 Tennis. Lipton's International Tennis Championships. 6:30 Fair Play. 6:45 The Cosby Show. 7:10 Fragile Earth: The Man Who Became a Crane. 8:00 The Channel Four Daily - Tomorrow! 8:10 90 Degrees South - An Antarctic Adventure. 9:10 The Media Show. 10:15 Film: "The World According to Garp" (1982). 12:50 am Sinfonietta.

S4C WALES

As Channel 4 except:-
1:00 pm Big World Cafe. 2:00 Fideo 9. 12:40 Film: "The Mysterious Mr Moto" (1938). 4:00 Treasure Hunt. 5:00 Cartoon Carnival. 6:45 A Different World. 7:15 Rebecca. 7:25 Newyddion. 7:30 Margaret Williams. 8:00 Hel Straeon. 8:30 Dechrau Canu Dechrau Canmol. 9:00 Roscoff '89. 10:05 Film on Four: "The Nature of the Beast". 11:50 A People's Passion.

IBA Regions as London except at the following times:

ANGLIA

12:30 pm Farming Diary. 3:00 Highway to Heaven. 5:35 Coronation street (Omnibus edition). 12:00 Prisoner: Cell Block H.

BORDER

12:25 pm Landmark. 12:55 Border News. 5:05 Scotsport. 6:00 Bullseye. 12:00 Prisoner: Cell Block H.

CENTRAL

12:30 pm Central Newsweek. 12:55 Central News. 2:00 Highway to Heaven. 5:35 Coronation Street (Omnibus edition). 12:00 Prisoner: Cell Block H.

Peter Barkworth is a reader in Meditation, Granada's new Sunday morning series at 11am

CHANNEL

12:30 pm Reflections. 12:35 Les Français Chez-Vous. 2:00 The Bill. 5:35 Coronation Street. 12:00 The Chart Show. 1:00 am Eurythmics (Music Box Special).

GRANADA

12:30 pm This Is Your Right. 12:50 Aap Kaa Hak. 12:55 Granada Reports. 2:00 The Fall Guy. 4:35 Coronation Street (Omnibus edition). 12:00 Prisoner: Cell Block H, followed by ITN News Headlines.

HTV

12:30 pm Farming Wales, followed by Weather for Farmers. 2:00 The Disney Family Movie: "The Last Electric Knight" (1986 tv movie). 5:35 Coronation Street (omnibus edition). 12:00 Prisoner: Cell Block H, followed by ITN News Headlines. 1:00 am The Chart Show.

HTV WALES

As HTV West except:-
12:00-12:30 pm Wales on Sunday.

TSW

10:15 am Gus Honeybun's Magic Birthdays, followed by Cartoon Time. 10:30 Fisheries News. 12:30 pm Farming News. 2:00 Charlie's Angels. 5:35 Coronation Street (Omnibus edition). 12:00 The Highwayman.

TVS

12:30 pm TVS News. 12:35 Agenda. 12:30 TVS Weather, including Farming Weather. 1:10 Eyewitness. 5:35 Coronation Street (Omnibus edition). 12:00 The Chart Show. 1:00 Eurythmics: Annie Lennox discusses her 'androgynous' image and Dave Stewart talks about his work with producers.

TYNE TEES

12:30 pm Flavour of the Month. 2:00 Who's the Boss? 2:30 Bullseye. 5:05 Landmark. 5:35 Coronation Street (Omnibus edition). 12:00 Inner Space. 12:30 am 9 to 5. 1:00 ITN news headlines. 1:00 The Other Side of Midnight.

YORKSHIRE

12:25 pm Grassroots Gardening. 3:00 Highway to Heaven. 5:00 Bullseye. 5:35 Coronation Street. 12:00 Scrumdown. 12:30 am The Other Side of Midnight.

RADIO

(S) Stereo on FM

RADIO 2

7:30 am Roger Royle says 'Good Morning Sunday'. 9:05 Melodies For You with Richard Baker. 11:00 Desmond Carrington with Your Radio 2 All-Time Greats. 2:00 Benny Green. 3:00 Alan Dell. 4:00 Hollywood Sound Stage. 4:30 Sing Something Simple. 5:00 Charlie Chester. 7:00 The Random Jottings of Hinge and Bracket.

7:30 Robert Stolz: Master of Melody. 8:30 Sunday Half-Hour. 9:00 Your Hundred Best Tunes with Alan Keith. 10:05 Songs from the Shows. 10:45 Helen Crayford at the piano. 11:00 Peter Clayton with 'Sounds of Jazz'. 1:00 am Colin Berry presents 'Nightride'. 3:00-4:00 A Little Night Music.

RADIO 3

7:00 am Tudor Church Music. 7:30 News. 7:35 Smetana Quartet. 8:30 News. 8:35 Your Concert Choice. 10:30 Music Weekly. 11:15 BBC Welsh Symphony Orchestra with John Lill (piano): Wagner (Overture: The Mastersingers), Beethoven (Symphony No 8): (11:55 Interval Reading): 12:00 Brahms (Piano Concerto No 2). 12:50 pm Third Ear: Latin American writer Isabel Allende talks to John Butt. 1:20 The Mozart Piano Sonatas: Hans Leygraf plays the Sonatas in B flat (K281) and F (K332).

1:50 "Harnasie": Szymanowski's ballet-pantomime conducted by Sir John Pritchard. 2:30 Violin and Guitar Duets played by Jean-Jacques Kantorow and Anthea Gifford. 3:10 Scottish Chamber Orchestra with Paul Crossley (piano): Mozart (Serenade in C minor K388), Stravinsky (Piano Concerto) and Strauss (Symphony in E flat, 'Happy Workshop'). 4:40 A Haydn Festival: Late chamber works, with Radu Lupu (piano), Maria McLaughlin (soprano) and the Takacs Quartet. 6:15 The Second Creation: in the first of three documentaries, Colin Tudge traces the evolutionary history of Australia. 7:00 City of London Sinfonia/Hickox, with Maurice Bourgue (oboe): Puccini (I crisantemi), Respighi (Trittico Botticelliano); (7:30 Maurice Bourgue talks about Berio's 'Chemins IV'); 7:35 Berio (Chemins IV for oboe and 11 solo strings), Mendelssohn (Symphony No 4, 'Italian').

8:20 The Leonardo Cylinders (mono): Prof Sydney Anglo discusses recent extraordinary discoveries with Leonardo da Vinci scholars. 8:50 Apt for Viols and Voice: Emma Kirkby (soprano), Anthony Rooley (lute) and the Consort of Musicke: Byrd, Dowland and Ravenscroft. 9:35 The Wise Woman. 9:55 The Beethoven String Quartets: The Medici Quartet plays the Quartet in F Op 18 No 1. 10:20 Choral Evensong. 11:30 20th-Century Clavichord: Peter Dickinson plays Alan Ridout's Suite, his own Suite for the Centenary of Lord Berners and numbers by Duke Ellington. 12:00-12:05 am News.

RADIO 4

7:00 am News. 7:10 Sunday Papers. 7:15 On Your Farm. 7:40 Sunday with Clive Jacobs and Andrew Green. 8:50 The Week's Good Cause: Martin Jarvis speaks on behalf of Parents Against Injustice. 8:55 Weather. 9:00 News. 9:10 Sunday Papers. 9:15 Letter from America by Alistair Cooke. 9:30 Morning Service. 10:15 The Archers. 11:15 Behind the Headlines. 11:30 Pick of the Week with Margaret Howard (s). 12:15 pm Desert Island Discs: Sir Stephen Spender (s). 12:55 Weather.

1:00 The World This Weekend. 2:00 Gardeners' Question Time. 2:30 Play: "Over the Moon" by Graeme Curry (s). 3:30 The Radio Programme. 4:00 With Passport and Parasol. 4:30 Enquire Within. 5:00 News; Down the River Teifi. 5:50 Shipping Forecast. 5:55 Weather. 6:00 News. 6:15 Next Door's Doorstep. 6:30 The Weirdstone of Brisingamen, by Alan Garner (part two of four) (s). 7:00 News; In My Opinion: Sheila Lawlor, Deputy Director of the Centre for Policy Studies, argues that government legislation on education has fallen into the hands of educationalists whose theories have helped to destroy learning. 7:30 Fear on 4 (s). 8:00 Bookshelf: William Golding talks to Nigel Forde.

8:30 Soundings: In the light of current ecological concerns, Ted Harrison looks at the Bible's requirement that Man should be a 'steward of nature'. 9:00 Backward Glances: Sir John Gielgud recalls some of the interesting people he has met. 9:10 The Natural History Programme. 9:59 Weather. 10:00 News. 10:15 'Now That's What I Call Mali'. 11:00 The Early Conservationist (s). 11:30 Seeds of Faith (s). 12:00-12:43 am News.